Daily Report

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.
An Ω indicates a Foreign Media Note.

CARIBBEAN

Cuba

Foreign Minister Open to Dialogue With United States *[Madrid EFE]* 1
Meets Foreign Ministers, Mandela *[Havana Radio]* 2
UN Ambassador on Blockade Debate Expectations *[Havana TV]* 2
Havana Cites Mexican Daily on U.S. Tolerance of Alpha 66 *[Havana Radio]* 2
Possible U.S. 'Humanitarian Intervention' Viewed *[Havana Radio]* 3
Cuban Inmates of U.S. Prisons To Be Repatriated *[Havana Radio]* 3
Not All To Prison *[Madrid EFE]* 3
Scientist Roque Released 27 Sep; No Charges Filed *[Madrid EFE]* 3
Lezcano Addresses CTC Plenum Held Prior to Assemblies *[Havana Radio]* 4
Lezcano Stresses Good Prospects of Low-Cost Construction *[Havana TV]* 4
Report Explains Police Antisocial Behavior Warnings *[Havana Radio]* 4
Mexico Markets Cuban Vaccines, Announces Investments *[Havana Radio]* 5
National Supply Company Trade Manager Interviewed *[Havana Radio]* 5
First of 50 Havana Province Cooperative Units Formed *[Havana TV]* 6
Trinidad Group Seeks Medical Aid, Food for Cuba *[CANA]* 6

Barbados

Government Lifts Sanctions Against South Africa *[CANA]* 7

Haiti

Cedras Questions UN on 'Peacekeeping Force' *[Port-au-Prince TV]* 7
Cedras Makes Statement *[LE NOUVELLISTE 29 Sep]* 7

NAFTA

Commercial Adviser on NAFTA; Government To Join OECD *[AFP]* 9
Ω **Nissan Boosts Mexican Cast Parts Production** *[Tokyo NIKKAN KOGYO SHIMBUN 11 Aug]* 9
Serra Puche Says Competitiveness Must Accompany NAFTA *[Mexico City TV]* 9
Bolivia Studying Possibili.y of Joining NAFTA *[La Paz TV]* 9
Correction to Ford, Union Antiworker Actions Alleged 10

CENTRAL AMERICA

El Salvador

Cristiani 'Pleased' With Trip to UN General Assembly *[San Salvador Radio]* 11

Guatemala

Church, Army Express Support for Referendum *[SIGLO VEINTIUNO 29 Sep]* 11

Nicaragua

Chamorro Meets Foreign Officials in New York *[Managua Radio]* 12
Addresses UN General Assembly *[Managua Radio]* 12

Sandinist Leader Asks Economic Cabinet To Resign *[Managua Radio]* 14
UNO Political Council Invites FSLN to Meeting *[Managua Radio]* 15

SOUTH AMERICA

Argentina

Congress Extends To Discuss Constitutional Reform *[NOTICIAS ARGENTINAS]* 16
Science Secretary Criticizes U.S. Ambassador *[NOTICIAS ARGENTINAS]* 16
Menem Supporters Anticipate 3 Oct Victory *[NOTICIAS ARGENTINAS]* 16

Bolivia

President Sanchez de Lozada Addresses UNGA *[La Paz TV]* 17

Brazil

Low Inflation Rate Could Bankrupt Federal Banks *[O GLOBO 28 Sep]* 18
Details of Armed Forces' 4 Oct Maneuvers *[O ESTADO DE SAO PAULO 30 Sep]* 18

Chile

Rio Group, PRC Vice Premier Note Pacific Rim Role *[Santiago Radio]* 19

Colombia

President Gaviria Assesses New York Visit *[Santa Fe de Bogota TV]* 19
Judicial Delegate Accused of Cartel Connections *[Santa Fe de Bogota TV]* 19

Ecuador

MPD Rejects Links to 'Red Sun' Subversive Group *[Quito Radio]* 20
Defense Minister Comments *[Quito Radio]* 20

Paraguay

Presidential Reprimand 'Annoys' Foreign Minister *[NOTICIAS 30 Sep]* 21
Wasmosy on Mercosur in Colombian University Speech *[ABC COLOR 30 Sep]* 21

Peru

Fujimori Meets Investors, President Clinton *[Lima TV]* 21
CCD President Yoshiyama on Referendum *[Lima TV]* 22
Editorial Criticizes New U.S. Drug Enforcement Policy *[EXPRESO 19 Sep]* 25
Army Prepares Offensive for New Narcoterrorism Zone *[EXPRESO 17 Sep]* 26
New Drug-Trafficking Centers, Export Routes Established *[EL COMERCIO 21 Sep]* 26
Disagreement Between SL Leaders Mezzich, Duran Viewed *[EXPRESO 17 Sep]* 27
Law Calls for New Referendum if Constitution Rejected *[EL COMERCIO 21 Sep]* 27
Ω Poll Gauges Support for Government, Constitution *[SI 5 Jul, etc.]* 27
Effects of Utility Rate Hikes Viewed *[EL COMERCIO 17 Sep]* 29
Dynamite Attacks Shake Greater Lima Bank Branches *[Lima TV]* 30

Uruguay

Broadened Relations With Bolivia, Paraguay Sought *[Madrid EFE]* 30

Cuba

Foreign Minister Open to Dialogue With United States

PA3009231093 Madrid EFE in Spanish 2114 GMT 30 Sep 93

[Text] United Nations, 30 Sep (EFE)—Cuba is disposed to negotiating with the United States, according to the Cuban foreign minister, Roberto Robaina, who thinks that the language of Bill Clinton's administration toward the island's authorities "is less aggressive."

In an interview with EFE, Robaina indicated he was disposed toward a dialogue with the U.S. Government based on "mutual respect," and pointed out that his country wishes, "like never before, to become part of the world" and "negotiate on everything, except our sovereignty, our independence, and our ability to speak for ourselves."

"We would like to respectfully note that the aggression and euphoria of previous administrations does not exist" in the Clinton government, Robaina affirmed.

Regarding progress in the U.S.-Cuban dialogue, he said "we're absolutely convinced that this is not a matter of what the new U.S. Administration wants to do, but of what it is able do, given internal pressures and pressures from the most reactionary sectors of the Cuban community." But he added that he "never gives up hope."

Robaina gave assurances that he would talk to any representative of the U.S. Government, as long as his counterpart "agreed to treat him on a basis of mutual respect. We can discuss any topic, complicated as it may be, but Cuba is not going to beg others to talk to us."

Experience with offering concessions "has taught us that once you offer your hand, they'll cut off your arm. We have ample proof of that," he declared, alluding to the case of Nicaragua, a country to which the United States suspended aid despite promises, made during the days of the Sandinist government, of assistance if free elections were held in that country.

Asked if his country is planning political changes to parallel the economic changes now under way, Robaina affirmed that "as long as the existing external threat does not disappear (...) we cannot consider any changes beyond those which we are making now."

"We want to change, but we want to be permitted to change on our own," he emphasized.

On the possibility that general elections might be held in Cuba, the foreign minister replied that "it's been a while since we held elections."

"We don't have a presidential system in which 25 percent of the population votes and 75 percent is apathetic it seems to me that this is something that appears to be democracy and appears to be flexibility," he said in a clear reference to the United States.

The Cuban minister is in New York to participate in the debates at the 48th UN General Assembly, where it is expected that next week he will make a speech in which he will defend the reform of the Security Council and reiterate the condemnation of the U.S. embargo on his country.

Cuba, supported by the Ibero-American nations, among others, will try to submit a new resolution condemning the U.S. embargo, since last year the General Assembly for the first time approved a similar statement.

The thrust of the resolution will be based on a condemnation of the embargo issued by the most recent Ibero-American Summit, held in Salvador de Bahia (Brazil), according to Latin American diplomatic sources.

"One year ago in this same place a resolution was approved that thrilled the whole world. But I think it's important for the world to know that one year later (...) all the measures envisioned in the blockade have increased in their scope and become more harmful," said Robaina, referring to the so-called Torricelli law.

Alluding to Clinton's remarks to the General Assembly, made Monday, about the protection of children, the Cuban foreign minister affirmed that "it amazes me to hear speeches worrying about children all over the world."

"I'd like to say that the 2 million children in Cuba are also children of the world, and that just because they were born in this land, which is for some reason considered a sin, they are condemned to die of hunger and illness," he asserted.

Regarding the results of the first economic reforms in Cuba, Robaina referred to the adoption of a "Cuban model" and explained that "our economic changes have to be made under such great pressure that the mere fact that they were made doesn't mean they will result in solutions."

On economic matters, he said that the intention of the Havana Government is not to introduce changes in areas that "have proven themselves efficient," among which he mentioned the pharmaceutical and sugar industries and the education, health, and security systems.

Nevertheless, he indicated that changes are needed, where associations will be combined with private enterprises, in areas where "we have the raw material but not the capital, technology, or market," like the tourism sector and the oil, nickel, citrus, and textile industries.

Referring to the passions that his nation stirs up in foreign countries, the foreign minister explained that "we have visceral enemies who say that Cuba is a hell and friends for whom Cuba is a marvel. Neither is believable."

He emphasized that there are "good, regular, and bad things" about his country. "It is neither the hell that some say it is nor the paradise for which we wished."

Meets Foreign Ministers, Mandela

FL3009173593 Havana Radio Rebelde Network in Spanish 2300 GMT 29 Sep 93

[Text] Today, Cuban Foreign Minister Roberto Robaina had a busy work schedule, which included meetings with the foreign ministers of Cape Verde, Portugal, Guatemala, and China. Robaina met privately with Spanish Foreign Minister Javier Solana. Lastly, during the morning session, he met with Bolivian President Sanchez de Lozada.

Comrades from the Cuban press accredited to the event interviewed the Bolivian foreign minister, who also met with Robaina. The Bolivian foreign minister commented on the words of Bolivian President Gonzalo Sanchez de Lozada, who had spoken about the prices of raw materials exported by Bolivia, Bolivia's hopes of obtaining an opening to the sea, which is something Cuba has always advocated and reiterated on several occasions, and the situation on the restructuring and democratization of the United Nations. In the same manner, the Bolivian foreign minister commented on President Sanchez de Lozada's meeting the night before with Foreign Minister Roberto Robaina, through whom he sent a greeting to Cuban President Fidel Castro.

Later in the afternoon, Robaina met with the foreign ministers of the Ukraine, Tanzania, Malaysia, and Egypt. Lastly and just minutes ago, at approximately 1830 local time in New York, Robaina met with Nelson Mandela, president of the African National Congress [ANC], with whom he conversed for approximately 15 to 20 minutes. They discussed mutual relations, after which Mandela stated that relations with Cuba were very strong. He went on to say that the ANC and he himself had many friends and that Cuba is one of the friends they would never forget for all the support given to him during the time he was in prison, and throughout the entire struggle of the ANC. Lastly, Mandela expressed to foreign Minister Roberto Robaina the respect he felt towards President Castro and his hope that all of Cuba's problems can be solved in the near future.

Those were the activities of Foreign Minister Robaina and his delegation's workday. As many already know, the delegation consists of, among others, Fernando Remirez de Estenoz, the newly appointed Cuban Ambassador to the United Nations, who has also participated in all the meetings of the 48th Session of the UN General Assembly.

UN Ambassador on Blockade Debate Expectations

FL0110011893 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 1 Oct 93

[Text] the 48th UN General Assembly session continued today in New York. The opening session was chaired by Kiro Gligorov, president of Macedonia, who was followed by speakers from 17 nations including Lebanon, Italy, Hungary, Portugal, and Spain.

Fernando Remirez de Estenoz, Cuban ambassador to the United Nations, granted an interview to our special correspondent during one of the work sessions.

[Begin recording] [Unidentified correspondent] What are your expectations regarding the issue of the blockade during the 48th session?

[Remirez] As you pointed out, this is a very important issue. It is the most important issue for our delegation, as stressed by the leadership of our country and comrade Robaina. So far, we have attained support. There is a broad solidarity. We believe that independently from all the difficulties ahead of us in this process, we will get significant support and in this manner we will reiterate what the position of the international community is regarding this issue and condemning the blockade.

As various delegation chiefs told Comrade Robaina: Today is Cuba, tomorrow it could be any other country of the international community which, by having differences with the United States, becomes a candidate for this coercive measure and the same economic sanctions which go against the international community and international law. [end recording]

Havana Cites Mexican Daily on U.S. Tolerance of Alpha 66

FL3009215793 Havana Radio Reloj Network in Spanish 1952 GMT 30 Sep 93

[Text] The Mexican daily LA JORNADA today criticizes the tolerance the U.S. Government shows vis-a-vis the statements and activities against Cuba by the counterrevolutionary group Alpha 66. In an editorial entitled "Terrorism: The Good and the Bad," the paper points out that such an attitude on the part of the White House highlights the alarming flexibility with which the United States measures the always condemnable phenomenon of terrorism.

LA JORNADA adds: The impunity with which Andres Nazario—president of Alpha 66, an organization that admits it has been involved in attacks on Cuban officials and civilians both inside and outside Cuba—announces publicly that violent actions are a priority, is incongruous.

The Mexican paper concludes: The ominous announcements of the head of this terrorist group should unleash

an immediate reaction among the Washington officials who instituted sanctions against countries that allegedly encourage terrorist actions.

Possible U.S. 'Humanitarian Intervention' Viewed

PA3009175893 Havana Radio Havana Cuba in Spanish 0000 GMT 30 Sep 93

[Commentary by Roberto Morejon]

[Text] Top Cuban authorities have considered the possibility that the United States may encourage a so-called humanitarian intervention in Cuba like the one conducted in Somalia claiming internal instability promoted from abroad.

Cuban President Fidel Castro said in Havana that the imperialist strategy is to create rifts among the people and to promote internal conflicts to justify military intervention on the island.

Five months ago, in an interview granted to EL SOL DE MEXICO, Cuban Defense Minister Raul Castro pointed out that the United States is seeking a detonator to step up the campaign on alleged human rights violations. Raul Castro added that if such a goal is achieved, the United States would be motivated into taking anti-Cuban measures of unpredictable consequences.

The analysis made by the Cuban Government regarding the various defense mechanisms of the island against a persistently aggressive adversary is backed by an objective perception of the unipolar world in which we live. After conducting an analysis of the Persian Gulf War, it became increasingly feasible for the West to resort to so-called humanitarian aid with the support of the United Nations to export its political-economic model. Following the intervention in Somalia it became evident that those who promote these types of operations are manipulating at their own whim concepts as sensitive as individual rights, national sovereignty, and intervention. The same may be said of the human rights concept, the pillar of the new world order, which has been imposed because of the lack of a socialist bloc to oppose it.

Cuba deems unacceptable any attempts aimed at limiting the sovereignty of states or any other form of action that may be interpreted as interference in its internal affairs. That is why the Cubans are adopting the necessary measures to reject attempts to weaken, demoralize, and divide them. By doing this, Cuba will create an internal climate much more appropriate to face the economic difficulties. In addition, no one could use the pretext of resorting to humanitarian interventions now in vogue.

Cuban Inmates of U.S. Prisons To Be Repatriated

FL3009185493 Havana Radio Rebelde Network in Spanish 1700 GMT 30 Sep 93

[Text] Cubans numbering 1,500, who are currently serving sentences in U.S. prisons, will be repatriated to Cuba in compliance with an agreement reached between the two countries. Carl Stern, a U.S. Department of Justice spokesman, confirmed that all necessary security measures have been taken to prevent the deportees from starting riots in the prisons where they are located, as in the past. These Cuban prisoners have been sentenced for various crimes such as assault, rape, and drug trafficking.

Not All To Prison

PA3009200693 Madrid EFE in Spanish 1923 GMT 30 Sep 93

[Text] United Nations, 30 Sep (EFE)—The means by which they left Cuba does not imply that upon their return the 1,500 "Marielitos" that the U.S. Government has agreed to repatriate will be imprisoned, Roberto Robaina, Cuban minister of foreign relations, told EFE today.

In the minister's opinion, of those being repatriated, only those who have prison sentences pending in his country will return to Cuban prisons.

The Washington Government announced on Tuesday that it would deport to Cuba the 1,500 Cubans who are serving prison sentences in the United States for various crimes. These people arrived in this country in 1980 during the boat lift that originated in the Cuban port of Mariel.

"The mere fact that they have gone to the United States, via one means or another, does not mean they will go to prison," Robaina said in reference to the destiny of the 1,500 Cubans whose repatriation will begin in monthly groups of 50 within three or four weeks.

"We don't act the way the rest of the world seems to think we do," the minister affirmed. He indicated that "others seem to consider this kind of emigration normal when it happens anywhere else in the world. When our country is involved, emigration becomes a highly charged political issue."

He explained that the emigration issue is part of the "conversation process" that Cuba maintains with the United States.

Around 4,000 Cubans are in U.S. prisons. The repatriation of 1,500 of them is the result of a 1984 agreement between the North American Justice Department and the Cuban Government.

Robaina is in New York participating in the ongoing debates at the 48th United Nations General Assembly. Next week he is scheduled to make a speech.

Scientist Roque Released 27 Sep; No Charges Filed

PA3009195893 Madrid EFE in Spanish 1600 GMT 29 Sep 93

[Text] Havana, 29 Sep (EFE)—Cuban scientist Rolando Roque Malherbe, a member of the opposition Civic

Current [Corriente Civica], was released on 27 September with no charges being filed. Roque had been under arrest for four days, according to a spokesman from the Cuban Human Rights and National Reconciliation Commission (CCDHRN) [Comision Cubana de Derechos Humanos y Reconciliacion Nacional].

Roque was arrested the night of 23 September, a day before his scheduled party to which he had invited dissidents and diplomats from six countries, including Spain, the United States, Sweden, and Canada.

Relatives of the scientist decided to go ahead with the party, but some of the dissidents could not reach Roque's house, because groups of young people, apparently belonging to the Rapid Action Brigades [BRR] blocked their access.

The diplomats stayed at the house a few hours and from the balcony they were able to witness the squabble between the dissidents and members of the BRR, which were created two years ago to neutralize any opposition demonstration.

Roque is a well-known scientist who conducted several years of research work on the properties of zeolite, a mineral used by medical and pharmaceutical industries as well as for cattle nutrition.

The scientist has been hired to work as a professor at a university in Valencia, Spain, but he has been waiting for authorization to leave Cuba for a year and a half with no success.

Lezcano Addresses CTC Plenum Held Prior to Assemblies

FL0110015793 Havana Radio Rebelde Network in Spanish 2300 GMT 30 Sep 93

[Text] Priority attention to agricultural work, the sugar harvest, and attention to public health are among the tasks the union movement in Havana is to analyze during its base-level assembly process, which begins tomorrow. This was reported today during the plenum of CTC [Cuban Workers Federation] leaders at the various levels. This plenum was presided over by Pedro Ross Leal and Jorge Lezcano Perez, members of the Politburo of the Communist Party of Cuba [PCC].

During the course of the analyses, the plenum discussed the union movement's unity with judicial organs and the Ministry of Interior in the struggle against economic crime and the counterrevolution.

Jorge Lezcano, first secretary of the PCC in the capital, made the closing speech at today's plenum. In connection with agricultural tasks and the sugar harvest, he called for making attention to the workers' living conditions a priority, and for maintaining the levels of health reached to date.

At one point in his speech, Lezcano reported that in the recent anticrime operations that have taken place, some 1,400 citizens have been sent before the courts; he called on the workers movement to stand firm against criminal actions.

[Begin Lezcano recording] Now we have to be capable of maintaining this struggle systematically, so that never again will criminality rear its head. And the important thing about reasoning with the workers and the entire population is the alert that Comrade Fidel has been giving us constantly: why it is the masses who have be out in the streets, waging and winning this battle, and not the Armed Forces—not the Army, nor Internal Order [el orden interior], nor the Police.

That is why, independently of the fact that we ask and demand that the police take more vigorous, more systematic, more efficient, more professional action against criminals, the fundamental fight is not the police's, nor the courts', nor the Public Prosecutor's. It is the population's, the masses' fight, for it is they who cannot afford disorders of any magnitude, either in our city or in any city in the country. [end recording]

We must add that since 18 September, the nation's provinces have been engaged in a process of preparing the different levels of union cadres so that, precisely, tomorrow, the assemblies at the work center level can begin throughout the country.

We wish you great success in this assembly-holding process.

Lezcano Stresses Good Prospects of Low-Cost Construction

FL0110012793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 1 Oct 93

[Excerpts] The 20,000 members of the microbrigades in Havana observed today the seventh anniversary of the revitalization of this movement with the completion of several facilities. More than 1,150 apartments have been built this year despite the material difficulties. [passage omitted]

Jorge Lezcano, first secretary of the Communist Party of Cuba in Havana, called for the reorganization of thinking regarding the construction of low-cost housing, based on the experience attained.

[Begin recording] With this system, in addition to the construction of a good number of houses, we will be able to repair thousands of houses. [end recording]

Report Explains Police Antisocial Behavior Warnings

FL3009210293 Havana Radio Rebelde Network in Spanish 1700 GMT 30 Sep 93

[Text] As many already know, the National Revolutionary Police [PNR] has a dual role: law enforcement and crime prevention. The PNR applies preventive security measures in addition to the crime prevention

help provided by political and mass organizations. I would like to talk about the official warning mentioned in Article 79 of the new penal code.

The purpose of this official warning is to prevent socially dangerous and criminal activities; it does not include the use of force. This warning is issued directly by the PNR and should include the causes for the warning and any comments made by the individual with regard to the warning. The warning must be signed by the individual to whom it is given and by the acting police officer. When a citizen has received several warnings for antisocial behavior, they are analyzed, along with other factors, by the Unified Vigilance and Protection System and may be presented to the courts to open a criminal risk file in accordance with the law.

It is worth mentioning that PNR statistics show that most of the people warned have acknowledged that their conduct is antisocial.

Mexico Markets Cuban Vaccines, Announces Investments

FL3009145193 Havana Radio Rebelde Network in Spanish 2300 GMT 29 Sep 93

[Text] The first fruits of the first Exposition on Cuban services and products, which was inaugurated last night [28 September] in Monte Rey, capital of Nuevo Leon State, is the agreement reached between the Finlay Institute in Havana and the (Benavides) Group of Mexico, which has a network of more than 500 pharmacies and laboratories in the northern area of the Mexican Republic. After initial rigorous procedures, they will market the Cuban meningitis vaccine and the gamma globulin produced in Cuba, as well as other products and vaccines mentioned in the global immunization project of the World Health Organization.

During the inauguration of this important exposition, which includes the participation of 32 Cuban firms, Mexican businessman Mauricio Fernandez announced joint investments in the textile industry, which will begin in the next operating period of the Celia Sanchez Manduley Textile Enterprise of Santiago de Cuba Province.

The governor of Nuevo Leon State further spoke about the strong possibility of negotiations between that state and Cuba. Cuban Ambassador to Mexico, Jose Fernandez de Cossio, pointed out the development and strength of Cuban-Mexican relations, which are based on very clear principles and on mutual respect and convenience.

National Supply Company Trade Manager Interviewed

PA3009165793 Havana Radio Havana Cuba in Spanish 0100 GMT 29 Sep 93

[Report by Marianela Samper on interview with Fernando Montes, National Supply Company, Emsuna, trade manager, by unidentified reporter; place, date not given; from the "Evening Information Review" newscast—recorded]

[Text] The problem of spare parts and products for joint ventures established in Cuba as well as for economic associations and Cuban enterprises that are self financed are solved through the National Supply Company [Empresa de Suministros Nacionales, Emsuna]. Emsuna, created by Council of Ministers' Resolution 89-92, also has as a priority to promote and develop national production by financing raw materials. In this way it can solve more satisfactorily its customers' needs.

Emsuna's supply is channeled through nine branches comprised of: spare parts and accessories for heavy transportation trucks, vehicles, industrial, agriculture, and construction equipment. In addition, there are articles for home and industrial use in wood, metal, chemicals, and hardware. Emsuna already serves more than 200 customers.

Here is what Fernando Montes, Emsuna trade manager, has to say on the possibility of offering specialized technical consulting services and other issues:

[Begin recording] [Montes] We will be able to offer technical advisory services. We are not offering this service, but one of Emsuna's duties in these branches also will be to offer technical advise. Emsuna is not marketing equipment locally; it is not marketing equipment. When Emsuna starts marketing equipment it will give this service. When I say equipment I am talking about these branches that deal in transportation, vehicles, agriculture, and construction equipment. Once we can market the equipment, Emsuna will be open to offer a guarantee and technical assistance to all equipment sold, as provide by sales service.

[Reporter] The 11th International Fair in Havana will open shortly. Do you consider this an appropriate scenario for other nations that visit us to learn of Emsuna?

[Montes] This is the first occasion we will have to publicize Emsuna. We have already held conversations with many foreign companies from diverse nations. We are going to participate in the International Fair. Emsuna is going to participate with all of its branches. We will be present at the Cuban stand. We want to use the fair's framework to make Emsuna known not only to all the companies represented in Cuba but also to all the exhibitors and foreigners who visit the fair.

[Reporter] What is your goal in this fair? Is it only to make yourselves known, or would you like to initiate new ties not only in diverse parts of the country but also abroad.

[Montes] We want to make ourselves known. We want to contact companies that will attend the fair to see what are the possibilities or to what extent we can establish cooperation and participation that could help reactivate Cuban industry. The goal is to allow Cuba to [words

indistinct], as well as the possibility of consigning merchandise under the nation's current import regime. This is another of our main goals; that is, to work on the consignment system.

[Reporter] Can you explain further the consignment of merchandise? How would this work in the case of this company?

[Montes] Emsuna is not an importing company. Emsuna has been organized to sell internally; we sell [words indistinct]. Within our branches we have importing companies. Those conversations that we will hold with foreign suppliers are to obtain consignment of merchandise through these importing companies. As far as the other branches are concerned, those central companies that are not importing branches, the import of merchandise from the warehouses would be made through the Foreign Trade Ministry's specialized companies.

[Reporter] Is this like the warehouses on consignment being established, that is, that merchandise is brought in and only after it had been sold then it is paid for?

[Montes] In the country we are organizing warehouses for this purpose. For example, Havana [name indistinct] is being created for this. We are willing to look at other possibilities, always in keeping with the General Customs Office. We can look at other possibilities, as we also have warehouses. There are possibilities, by analyzing completely the possibility of depositing merchandise in our warehouses. [end recording]

Emsuna conducts its marketing in the nation through a central company network it owns; nevertheless, it has announced that next month it will initiate direct sales in two stores in the capital. Emsuna is initiating its operations, but the expertise of its personnel in marketing and services, together with the retail system in stores and delivery centers at good prices, will guarantee [words indistinct] the needs of local and foreign companies.

First of 50 Havana Province Cooperative Units Formed

FL3009013493 Havana Cuba Vision Network in Spanish 2220 GMT 29 Sep 93

[Text] The first Basic Cooperative Production Unit has been formed in Havana Province in Quivican Municipality. It will bear the name Manuel Fajardo, like the neighboring agroindustrial complex. It is the first in Havana Province, and the third to be formed in the nation. The unit's president, Juan Carlos Figueroa, has been elected, as has the management board that is to put these 96.65 caballerias of land into production. The election of this Basic Cooperative Production Unit implements recent agreements reached by the Politburo with a view to making agricultural production in Cuba more dynamic.

Candido Palmero, Politburo member and first secretary of the Communist Party of Cuba [PCC] in Havana Province, said it in his speech: Besides administrative measures, we need the men, as the principal resource we are counting on.

Havana Province is to have 50 units like this formed before 23 October, the date on which the provincial PCC organization is to review its assessment.

Sugar Industry Minister Nelson Torres feels there is no need to rush, in this regard:

[Begin Torres recording] It is really a provincial decision, and, as you have seen, we have pressured no one. Simply because the conditions are [words indistinct] not dealt with since the day it was decided to the present, because they had already been perfecting this structure, and applying the principles. And I can assure you that there is a work [words indistinct] here in Havana. [end recording]

With no magic, without expecting any miracles, these units are to begin a new era in Cuban agriculture.

Trinidad Group Seeks Medical Aid, Food for Cuba

FL3009022293 Bridgetown CANA in English 1957 GMT 29 Sep 93

[Text] Port of Spain, Trinidad, Sept 29, CANA—A group launched in Trinidad Tuesday is seeking medical and food supplies for needy Cubans.

The group, "Mission Cuba", says it has ties in the English and Spanish-speaking Caribbean as well as international support for its cause.

At the public launching, Chairman Reverend Nelson Sammy-Guliarte said Cuba could become like famine-struck somalia if mass relief did not go its way soon.

The reverend, who described the organisation's work as a "mission of mercy", said that during a visit to Cuba three weeks ago, they found widespread shortages of food, medicine and fuel.

Another member of the mission said children in the school for the deaf did not even have batteries for their hearing aids.

"It's really very bad there," Kenny Mohammed told CANA.

He also said that the Cuban Government had given the group permission to conduct spiritual revival in the country.

The group said it will also be giving attention to Haiti, the Dominican Republic, Nicaragua and Guyana.

"We are appealing to the people of Trinidad and Tobago, the Caribbean and the world to give medicines, canned foodstuffs, milk, clothes, bedding, and funds towards the work in Cuba," said Sammy-Guliarte.

"We believe this is an opportunity for people in the Caribbean to share their live with our suffering neighbours."

Barbados

Government Lifts Sanctions Against South Africa

FL2909155693 Bridgetown CANA in English 1425 GMT 29 September 93

[Text] Bridgetown, Barbados, Sept 29, CANA—Barbados on Wednesday announced it had lifted trade and other sanctions against South Africa. The cabinet met in special session Tuesday and "decided to lift all trade and economic sanctions, bringing to an end a trade embargo which has lasted 33 years," the Ministry of Foreign Affairs said in a statement. Barbados first prohibited trade with the racially-divided country in 1960, after the police opened fire on a peaceful demonstration of unarmed women.

"(Barbados) Prime Minister Erskine Sandiford met South African State President F.W. De Klerk and ANC (African National Congress) President Nelson Mandela in Washington last weekend, and it was agreed then that Barbados would heed the call for the lifting of sanctions," the Foreign Ministry explained.

Mandela had called for an end to sanctions at a meeting of the special committee against apartheid: "In response to the historic advances towards democracy that have been achieved, further to give added impetus to this process; to strengthen the forces of democracy and to help create necessary conditions for stability and social process, we believe the time has come when the international community should lift all economic sanctions against South Africa.

"We therefore extend an earnest appeal to you the governments and peoples you represent, to take all necessary measures to end the economic sanctions you imposed, and which have brought us to the point where the transition has now been enshrined in the laws of our country."

Later, he stipulated that the special sanctions relating to arms, nuclear matters, and oil, be kept in place by the international community.

Haiti

Cedras Questions UN on 'Peacekeeping Force'

FL3009162593 Port-au-Prince Tele-Haiti in French 1030 GMT 30 Sep 93

[Text] In a statement to the press on the afternoon of 29 September, the commander in chief of the Haitian Armed Forces gave his opinion on the long crisis the country is experiencing and also on the Governors Island Agreement. Concerning Resolution 867 of the [UN] Security Council, Gen. Cedras asks the United Nations for a definition of the term, "peacekeeping force," and asks the international community for formal guarantees of Haiti's sovereignty. We invite you to follow an excerpt from Gen. Cedras' statement.

[Begin recording] As cosignatory of the agreement, having been thus mandated by the representatives of the people, we urge all parties and the international community to regain their self-control and keep the true commitments of the Governors Island Agreement intact. Disruption of the process has been discovered in the absence of transparency and integrity, observed at every step of the agreement.

It was agreed that under no circumstances would they send foreign intervention forces under the guise of technical or other assistance. For having inserted the term, "peacekeeping force," into Resolution 867, the international community must provide explanations to the wounded Haitian soul on this major point by providing it with formal guarantees of its sovereignty.

We are convinced that the chambers would enthusiastically ratify any technical and financial assistance agreements aimed at boosting our economy, which has passed through a terrible ordeal, and at reinforcing our democratic institutions. We are wondering, however, why they deliberately violate Article 4 of the agreement by carrying out a partial suspension of the sanctions while neglecting establishment of the development aid that could create the jobs so necessary for the anticipated climate of appeasement.

At the same time, we are wondering why they keep multiplying breaches of the agreement by ignoring the law on amnesty and other related instruments named by the president of the Republic as the reason for convening the chambers. Is it a lapse, or an intentional omission? What does it matter? Reconciliation requires this law.

Do they have the right to arouse suspicions within the Army by speaking thoughtlessly of a 'secret agreement' to the detriment of high-ranking officers? An explosion at this level would have serious consequences on society and the nation. [end recording]

Cedras Makes Statement

FL3009200093 Port-au-Prince LE NOUVELLISTE in French No. 34.637 29 Sep 93

[Statement to the press by Lt. Gen. Raoul Cedras in Port-au-Prince on 29 September, titled: "General Cedras Denounces 'Disruption' of Governors Island Process"; subtitled: "It was agreed that in no case would they send foreign intervention forces under cover of technical or other assistance."]

[Excerpts] The commander in chief of the Haitian Armed Forces [FADH], Lieutenant General Raoul Cedras, made the following statement this afternoon [29 September] before the members of the press at FADH General Headquarters:

The Governors Island agreement, this deed tinged with simplicity, self-denial, sacrifice, and true beginnings of a change in Haiti, has become the key that opens all doors: that of awareness, that of manipulations, and also that of the country. In spite of us, they [not further identified] have changed the change.

Nevertheless, despite them, we will continue to believe in reconciliation, promising prospects, the Governors Island [agreement], the path to a peaceful transition, and the close companionship dreamed of by those who preceded us, a dream reproduced and consecrated by the too-long ignored motto: Union gives strength. Despite our uncomfortable position in view of the nearly impossible management of a country exposed to the fragility of a social climate exacerbated by a future of imminent explosion, in view of an outburst of stubborn nationalism, we have opted not for shameful capitulation but for life, the life of the country, the life of the people. We have chosen to be servants convinced of the establishment of democracy in our country and of the irreversible banishment of dictatorship, regardless of the form it may take. [passage omitted]

The political truce and the social appeasement essential for a peaceful transition were compromised by the same speeches, the same innuendoes, and the same hatred, on a backdrop of justice. It is time that all of us, sons of the same nation, stop settling our problems by violence. Is it necessary for us to elaborate further on the numerous obstacles to the unfolding of the process, obstacles denounced by institutions, by members of the public administration, and by the vital forces of the nation? After all, if the arbiter is perceived as biased, what must be expected from the one for whom the arbitration is distorted?

Anyway, the Army will not be divided. Likewise, aware of its power, it does not intend to oppose by arms all other peoples in the world that are richer and more powerful. Aware of its weakness, it has voted for help in modernization; it believes in the reinforcement of its institutions, with international support. It is convinced that a peaceful transition is still possible.

Being responsible for lives, property, and the preservation of the national territory, the FADH could not threaten to resign. Neither could they become submissive collaborators. Unalterable logic places them at the side of a people who have committed only one crime: helplessness in the face of an unbridled surge toward resumption of power and the total rejection of any compromise by international authorities.

Stoically, the FADH will continue to struggle in unity so that the ideals of liberty, equality, and fraternity can always triumph because we still believes in the republican institutions, in a burst of patriotism, and in a revival of responsibility on our part.

If the Governors Island agreement fails, it will be the failure of the United Nations, the OAS, President Aristide, and the FADH. Haiti will not die; God is stronger. [repeated, in Creole] Haiti will not die; God is stronger.

[Signed] Raoul Cedras, Lieutenant General, FADH, Commander in Chief, Cosignatory to the Governors Island Agreement.

Commercial Adviser on NAFTA; Government To Join OECD

PA3009220193 Paris AFP in Spanish 1926 GMT 30 Sep 93

[Text] Paris, 30 Sep (AFP)—Cecilio Garza Limon, commercial adviser to the Mexican Embassy in France, said in Paris today that Mexico will join the Organization for Economic Cooperation and Development [OECD] in June 1994, on the occasion of the yearly plenum of this forum, which consists of 24 wealthy countries from all over the world. "Mexico will become the OECD's 25th member country in June," the diplomat said during a meeting on the North American Free Trade Agreement [NAFTA] held in Paris with the participation of French businessmen, Mexican officials, and U.S. and Canadian economists.

Garza told AFP that in the most recent OECD plenum held at the organization's Paris headquarters last June, "the ministers invited Mexico to join as the result of the reforms that had been implemented" in the country.

He added that NAFTA made it easier to invite Mexico to join the OECD but that, nonetheless, Mexico has been invited to meet certain requirements between now and June 1994 for joining, such as giving more autonomy to the Central Bank, reducing inequalities, and reforming the educational system. Garza said that President Carlos Salinas de Gortari had announced during his recent visit to Brussels that his country will join the OECD in June.

The two Mexican officials attending the meeting, Garza himself and Fernando Villarreal, who negotiated NAFTA with Canada and the United States, presented Mexico's soon joining the OECD as another proof of the country's "stability" in terms of economic growth and inflation control.

Garza and Villarreal, as well as their U.S. and Canadian counterparts, made efforts at dispelling the French businessmen's fears that NAFTA, once ratified, will turn North America into "a fortress," inaccessible to foreign investors.

Patricia Bouille, in charge of the cooperation program between the EEC and Latin America, has announced that a Mexican-EEC plan will be implemented next year to expedite private investments between the two regions, particularly in the agroindustrial, construction, automobile, medical-pharmaceutical, and furniture fields.

Ω Nissan Boosts Mexican Cast Parts Production

93P30O75A

[Editorial Report] Nissan Motors' manufacturing affiliate in Mexico, Nissan Mexicana (Nismex), has opened a third foundry at its Lerma plant to ensure a stable parts supply in support of its increasing auto production, reports the 11 August Tokyo NIKKAN KOGYO SHIMBUN. The new facility produces cast parts for brakes used on Nissan's "Sentra" models assembled both in the United States and Mexico and will boost the plant's annual production of cast parts to 35,000 tons from the current 25,000 tons. Nismex's Lerma plant also produces all cast engine parts made in Mexico, some of which are exported to the United States. The paper also notes that production of fully assembled vehicles at Nismex's manufacturing plants in Aguascalientes and Cuernavaca totaled 147,000 vehicles in 1991 and 172,500 vehicles in 1992. Estimates that 1993 production would exceed 200,000 units prompted Nissan last year to invest 3.5 billion yen to begin construction of the third foundry in order to meet production demand.

Serra Puche Says Competitiveness Must Accompany NAFTA

PA0110045793 Mexico City XEQ Canal 9 Television Network in Spanish 0200 GMT 1 Oct 93

[From the "Plenty of News" newscast; live relay by Mexico City XHTV Television Network]

[Text] The North American Free Trade Agreement [NAFTA] is now the responsibility of the Legislative Branches of the signatory countries, Commerce Secretary Jaime Serra Puche reiterated in Chihuahua.

Jaime Serra Puche, commerce and industrial development secretary, spoke in Chihuahua about NAFTA and the competitive challenge we will be facing.

[Begin Serra recording] If it is true that the transition period for NAFTA to be fully implemented is up to 15 years, it is also true that the effort to increase competitiveness cannot wait. That is why we have undertaken this effort. [end recording]

Serra also spoke about how the fiscal surplus will be used.

[Begin Serra recording] Continuing with the consolidation of price stability, the fiscal surplus produced by all Mexicans in the last few years will be used to promote the economy, create jobs, and thus contribute to the general welfare. [end recording]

He also reported that the World Bank will offer $1.8 billion in credit and the Federal Government $2.2 billion to support various infrastructure projects along the border region.

Bolivia Studying Possibility of Joining NAFTA

PY2909191993 La Paz Television Nacional Network in Spanish 1700 GMT 29 Sep 93

[Text] Bolivia must expand its exports and achieve more markets for our products. Here is a special report by (Wilma Mallon) about Bolivia's chances of joining NAFTA, the free trade treaty among Mexico, Canada, and the United States.

[Begin recording] [Mallon] Bolivia continues to study the advantages and disadvantages that would influence its joining NAFTA.

[Unidentified businessman] There is no doubt that we need to diversify our markets. Tariff treatment must be reciprocal: If they drop their tariffs we must drop ours. We must see what is most advantageous for exporters, and how it would affect us. We must analyze all these aspects. We must also analyze the situation from the legal point of view, because Bolivia belongs to the Andean Pact, the ALADI [Latin American Integration Association], and we are also negotiating with the Mercosur [Common Market of the South].

[Mallon] The National Chamber of Industries feels there is no need to join NAFTA because we, as a country, already have access to the U.S. market.

[Unidentified official] We should recall that Bolivia currently has special tariff advantages granted by the United States on more than 6,000 items. This means that we do not need to join the NAFTA if the idea is to gain access to the U.S. market, which was the goal of Canada and Mexico. The United States has unilaterally granted tariff preferences, that is, zero tariff, on 6,000 products of the Andean countries; Colombia, Peru, Ecuador, and Bolivia.

[Mallon] Bolivia needs to urgently diversify its exports because we are experiencing an economic crisis due to the low price of minerals. [end recording]

Correction to Ford, Union Antiworker Actions Alleged

93P20365F

The following correction pertains to the item headlined "Ford, Union Antiworker Actions Alleged," published in the 29 September Latin America DAILY REPORT, page 16: Column one, first paragraph make read: ...Comment and reporting of recent months in the Mexico City daily LA JORNADA have been critical of the government, Ford Motor Company management, and the national leadership of the Confederation of Mexican Workers (CTM) autoworkers affiliate for excluding the union local during negotiations last spring and this summer on planned labor cutbacks at Ford's Cuautitlan (Mexico State) plant. ...(correcting text) Column one, second paragraph, first sentence make read: ..., carry out massive layoffs, ...and reduce collective contract costs." Pena described this as "one way, a somewhat savage way, of achieving competitiveness, which is one of the obsessions of modernization." ...(correcting text)

El Salvador

Cristiani 'Pleased' With Trip to UN General Assembly

PA3009172093 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 30 Sep 93

[Text] Salvadoran President Alfredo Cristiani said he was pleased with his trip to the United Nations where he addressed the 48th UN General Assembly to talk about the peace process. He invited the international community to provide economic support to his country.

Cristiani said in a news conference upon his arrival at the international airport in San Salvador that he held a brief meeting with UN Secretary General Butrus Butrus-Ghali to whom he talked about the progress made in the peace process following recent meetings between the government, the former guerrillas, and the UN Observers for El Salvador, Onusal.

Butrus-Ghali even spoke in public about the Salvadoran case and said its peace process is an example for the entire world. Cristiani described as positive his meeting with the international official.

The peace process is moving ahead according to schedule, according to Cristiani, who said there are certain delays in the implementation of the agreements on land transfers for the former fighters of the Farabundo Marti National Liberation Front, FMLN, because they have not yet signed up at the legal registry. He also pointed out that $87 million are still needed to finish transferring agricultural lands to the former fighters as stipulated in the peace agreements signed in January 1992.

Cristiani also said that he was pleased with the meeting held in Boston with a group of U.S. businessmen, who are interested in investing in this country's industry and to whom he explained the progress in the peace process.

Guatemala

Church, Army Express Support for Referendum

PA3009173893 Guatemala City SIGLO VEINTIUNO in Spanish 29 Sep 93 p 3

[Report by Carlos Castanaza Rosales]

[Text] Monsignor Prospero Penados del Barrio, the archbishop of Guatemala City, and Colonel Fabriel Rivas, head of the Army Information and Press Department, asserted yesterday their decided support for President Ramiro De Leon Carpio's request that a referendum be called on the process to purge the Legislative and Judicial Branches.

The representatives of the Catholic Church and the Guatemalan Army agreed in pointing out the legality of the president's request that the Supreme Electoral Tribunal call the people to referendum so they can express their opinion on the issue directly.

Penados del Barrio reinitiated the debate on the purge a few months ago when he revealed that he was certain the Judicial Branch judges were being bought. Yesterday he stated that the church is willing to make parishioners aware of the importance of exercising their rights at the referendum and expressing what, he said, had been "the people's outcry for the past several years." Likewise, he indicated, "I believe De Leon Carpio is a well-intentioned person. There can be no doubt about that, apart from the way he was elected to save Guatemala from the situation left by Serrano Elias."

"The poor man has had to confront all the problems at the same time," the Guatemala City archbishop added, when he explained some of the problems the president has confronted in the past days. The religious leader said De Leon Carpio "does not rest a single day, not even on Sundays. That is why I recommended that he do what I do and disappear from Guatemala for at least a day and forget that he is the president, even if it shakes or there is an earthquake."

Deputies Disagree Because It Negatively Affects Their Interests

Referring to the fact that several deputies oppose the referendum, Penados del Barrio indicated that "naturally, this is because it negatively affects their interests and each one defends what he thinks is desirable. However, the people all over the country are asking for the referendum." He added that the president, as a lawyer, "is complying" with the laws of the country and that he decided to resort to the referendum as a last resort, faced with the deputies' refusal to resign.

Penados del Barrio admitted that the measure is a bit bold and even dangerous because there could be a lot of violence as there are people with vested interests who could move shock troops to go against the president's provision. However, he said the church is very willing to work to make people aware of the referendum's importance "because we have to support the people's feeling. The people are tired of so many tricks and flouting of the law." Penados del Barrio also referred to the topic of peace and said that both the purge and the attempts to end the armed conflict are of prime importance "although peace is first because without it we can do nothing."

Rivas: Support for the Army's General Commander

On his part, Col. Rivas said that, as Defense Minister General Mario Rene Enriquez had stated on one occasion, the Army supports the legal and constitutional measures adopted by the Ramiro De Leon Carpio, president of the Republic and general commander of the Army.

Initially, Rivas had said he would not make statements on the support and security the Army would give the purge process after the request for the referendum was made because it was a political topic and the armed institution has a clear position in this respect. However, when he was asked about the Army's obedience to its general commander, he indicated "as the Defense Minister has stated, we do support the president."

Nicaragua

Chamorro Meets Foreign Officials in New York

PA3009123393 Managua Radio Sandino in Spanish 1830 GMT 28 Sep 93

[From the "Radio News" newscast]

[Text] President Violeta Chamorro has met with the Norwegian prime minister and the UNICEF director in New York, seat of the UN headquarters. Danilo Lacayo, the director of public relations and official spokesman for the Presidency, reports from New York on the president's activities.

[Begin Lacayo recording] The president opened her agenda for today with a meeting with Norwegian Prime Minister Gro Harlem Brundtland. During the encounter, the Nicaraguan President thanked the prime minister for the support Norway has given Nicaragua and expressed her admiration for Norway's outstanding participation in the Israeli-Palestinian peace process. Mrs. Chamorro said she hopes Norway will continue helping Nicaragua. Norwegian Prime Minister Gro Harlem Brundtland told the president about Norway's intention to continue offering Nicaragua economic and political support. She expressed Norway's interest in becoming a member of the group of friends of Nicaragua under the auspices of the United Nations. This, then, is a summary of the conversation these two leaders held for approximately 45 minutes.

Later, the president met with UNICEF Executive Director James Grant. She thanked UNICEF and Mr. Grant for the support given to Nicaragua. The president, meanwhile, requested additional support to benefit Nicaraguan children, particularly now, following a war and because of the social situation weighing down on Nicaragua. The president also requested the support of a UNICEF team to advise Nicaragua on the creation of special legislation to protect Nicaragua's children, such as the Juvenile Court Bill.

The president invited Mr. Grant to visit Nicaragua. Mr. Grant accepted the invitation for next year, before his term ends.

The president also asked him for assistance for the National Children's Commission, because the president hopes to develop more programs than the ones that have already been implemented with the help of local governments. Mr. Grant agreed with the president of the Republic that in order to consolidate national reconciliation and peace in Nicaragua it is important to improve the living conditions of the Nicaraguan children and young people. Mr. Grant also recognized that, despite the low per capita income in Nicaragua, the country's economic indicators show that the country has great development programs for children—development programs that rank above those in countries that are economically better off than Nicaragua. He recognizes that, even though the president leads an impoverished nation, she has given priority to children's programs.

Mr. Grant also asked President Chamorro to preside over the meeting on children, which will be held on Thursday, 30 September, on the occasion of the third anniversary of the World Children's Summit, which the president accepted. This is in recognition of the job done by Mrs. Violeta Barrios de Chamorro for the benefit of children. [end recording]

Addresses UN General Assembly

PA3009161693 Managua Radio Nicaragua Network in Spanish 1615 GMT 29 Sep 93

[Speech by Nicaraguan President Violeta Chamorro at the UN General Assembly session in New York on 29 September—live]

[Text] Mr. President Samir al-Shihabi, Mr. Secretary General Butrus Butrus-Ghali, ladies and gentlemen. In the name of our Latin American and Caribbean region, I wish to sincerely congratulate you both for having been designated to preside over this General Assembly period of sessions.

Mr. President, some of our countries are progressing from war to peace. In Nicaragua, we are shaking off 50 years of a right-wing dictatorship and 10 years of a left-wing dictatorship. At the same time, we have passed from a centralized economy to a social market economy. Each of these three transitions is a tremendous challenge that requires fluid political, economic, and timely international cooperation. Nicaragua is a special case. Mr. President, my country has had to experience this triple transition. We are overcoming a postwar stage, constructing democracy, and restoring the vitality and strength of the economy, all this in a polarized society. I sincerely believe that few current societies have had to face so many challenges simultaneously and under such difficult circumstances. The governments and organizations that have closely followed the critical situation the country was in when I received it, with a GNP [gross national product] equivalent to the economy of the 1940's and an unprecedented inflation rate, will easily understand the scope of our efforts. We must construct democracy, rebuild an injured society, and become economically competitive with the world under an economic adjustment plan that stands in the way of our realizing our social investment.

In my country there is hunger, hatred, and many arms but there is also the fervent desire to construct a society

in peace. Nicaragua has been a symbol of war and hope in this decade. Nicaragua must continue to be a symbol of hope. We will attain this goal with international aid only. With a great effort, we have kept the inflation rate at 5 percent yearly. This effort has been so difficult, however, that we only succeeded in growing by 0.2 percent in 1992 after eight years of a declining GNP.

Mr. President, I admit that the international community has tried to understand the huge complexity of our process. In 1990, this General Assembly endorsed a treatment of exception for Nicaragua and appealed to the international community to give us effective and sufficient assistance. Since then, my country has complied with all agreements signed with and pledges made to multilateral institutions and the international community. We are bent on creating the conditions that make it possible for local and foreign investors to contribute to our economic growth so we can initiate the reconstruction process and the steady development that Nicaragua requires.

After paying for our oil purchases and amortizing our foreign debt, my government has received as international cooperation an average of less than $12 million each year. This amount is not enough for so difficult and complex a transition. Our economy has stabilized. The process is slow, however, and cannot meet the aspirations of an impoverished people that demands recovery in a short time a worthy standard of living for the population.

The economic problem is our greatest source of instability because it produces a tense political and social atmosphere, thus jeopardizing the national and regional stability.

If foreign aid is delayed and it is severely conditioned, or if it becomes a political tool as occurred in 1992 and as is happening now, democracy in Nicaragua could collapse. My country depends on the international community's financial support. We only export $250 million per year and need $850 million per year to finance the imports and pay the service of an inherited foreign debt.

Mr. President, I come to this General Assembly, to this forum of brotherly nations, to ask the international community to continue to support Nicaragua. We need the United Nations to help us maintain and guarantee the bilateral economic cooperation for my country in the current amounts. We need an increase in the resources allotted to the reactivation of our debt.... [pauses] in production, economic growth, strengthening of the social production networks, and solitary reactivation. [sentence as heard]

We cannot forget that on 25 February 1990, to international surprise, we held in my country the first free and participative election in all of our history. That day, Nicaraguans silenced the noise of the rifles and together celebrated the victory of peace; knowing that we had chosen the path of democracy, liberty, peace, respect for human rights.

At the moment of voting, every citizen voted against decades of violence and bloodshed. We voted to erase from our minds the sad images of those wounded in over 10 years of war, orphans, widows, and handicapped.

We voted to end the tragic parade of soldiers, many of them children, fighters of a war among brothers. This was my first mandate, to bolster a policy of national reconciliation—not a difficult task [as heard]—in a society used to political polarization and confrontation.

Today, three years later, I am still bent on promoting the national dialogue as the only viable means for the solution of our problems. The convocation to attain this national understanding has received the solidarity and support of countries and international organizations. In the national dialogue, we have the verifying presence of representatives of the presidents of Central America, a region that only foresees its future amid a broad horizon of integration and unity with Nicaragua.

They have the sincere appreciation of my people and government, as do my Central American colleagues together with the representative of the OAS secretary general, the Catholic Church, and of the UN secretary general, who have contributed so much to Nicaraguan peace and reconciliation.

I particularly thank the UN secretary general for his support for the formation of an active group of donor countries, friends of Nicaragua, who within the context of the United Nations would help us.... [pauses] identify the requirements for foreign aid and the means of channeling these needs for aid.

I believe that the countries undergoing a transition from war to peace, that have signed international agreements to attain a total pacification [two-second break in reception] the country, should have access to a special fund in order to be able to stand up and advance.

Nicaragua and other Latin American countries, such as Haiti and El Salvador, need this exceptional status because we cannot compete with nations that have not suffered the pain of political, economic, and social destruction the war has left us.

Mr. President, when we resort to the international community, we do so convinced that the main effort to rebuild the reconstruction of my country must come from us Nicaraguans as the key players in our development. [Five-second break in reception] I preside, assumes this quota of responsibility to keep our democracy from regressing.

I, once again, reaffirm before you the commitment I assumed before the Nicaraguan nation of not resting until democracy was consolidated. I will continue to work so that the freedom of expression, meeting, and association is never undermined again. My commitment for human rights is firm and unalterable. My decision to achieve the institutionality of the Armed Forces of Nicaragua is irrevocable. Thus, besides reducing my

country's Army drastically, I am promoting reforms and laws to guarantee the full subordination of the military power to civilian power, and establish clear terms for exercising the top military posts.

We are building an institutional and democratic structure, of which a small, professional, and nonpartisan army, in the service of the whole nation, may form a part.

Furthermore, we are undertaking great efforts to disarm groups and civilians and to keep the thousands of weapons gathered up to now from being used again against the democratic advances attained in Nicaragua and, therefore, the stability of the Central American region. The weapons seized by our authorities are burned in front of the population and public opinion.

Mr. President, in consulting with other countries of the international community, my government has decided to celebrate in our capital, Managua, in May of 1994, the Second International Conference of the New and Restored Democracies. We want to exchange experiences and closely examine the structures of the new democracies and establish proposals that may contribute to improvement. Our organization must respond positively to the changes in the world around us.

Nicaragua supports the recognition of the rights of the Republic of China in Taiwan by the United Nations. We consider it is just to recognize the basic rights of 21 million inhabitants that reside on that territory. Nicaragua firmly supports this noble initiative.

Mr. President, finally I share the joy of all of our countries with the historic signing of the declaration of principles between the Israeli Government and the PLO. These agreements have proved that peace is possible when there is a will for dialogue and negotiation. This agreement must become one of the great lessons of our time, and a hope to encourage world peace.

Mr. President, we Nicaraguans trust in God, in the solidarity of the friendly countries, and the cooperation of the international organizations. Their kind, fraternal, and sincere hand will allow us to attain the renewed society the Nicaraguan people dreamed of with the vote cast in the general elections of 25 February 1990.

In Nicaragua we know that the century that is about to end leaves us harsh lessons. However, it allows us to courageously confront the great challenges that will lead us to consolidate a world society, inspired in peace, liberty, and progress.

Thus, on the brink of the new century, I want to reaffirm, in the name of the Nicaraguan people, our profound commitment to contributing to the development of a more prosperous and just order. That is my commitment to democracy and to all the peoples of the world.

Thank you very much.

Sandinist Leader Asks Economic Cabinet To Resign

PA3009154493 Managua Radio Sandino in Spanish 1830 GMT 28 Sep 93

[Report on interview with Sergio Ramirez Mercado, leader of the Sandinist bench at the National Assembly, by unidentified reporter; place, date not given; from the "Radio News" newscast—recorded]

[Text] The leader of the Sandinist bench at the National Assembly, Sergio Ramirez Mercado, has asked the members of President Violeta Chamorro's economic cabinet to resign due to their years of failures. Ramirez said that the government has no alternative but to implement the recommendations of economic expert Otto Solis Valla, who was hired by the government to analyze the country's economic and social situation.

Ramirez said that the recommendations of the government's adviser are the same the Sandinist Front and the people in general have been making for a long time.

[Begin recording] [Ramirez] In my opinion the recommendations include very interesting ideas. It is important that the document establishes alternatives different from the government's economic plans, which have already failed.

Two important proposals made by that document should be implemented, a change in the economic cabinet and a change in the policy that has been followed. The Nicaraguan people agree with this. If Solis has reached this conclusion the better, but all of us already had a clear understanding on this. The economic cabinet ministers, beginning with Economy and Development Minister Pablo Pereira, should present their resignation immediately to give the president an opportunity to work on a new economic policy with new people. The others have failed.

[Reporter] Will the government have the courage to disown the policy imposed by the IMF?

[Ramirez] It has no alternative but to take on a new policy; otherwise, recession will continue to stoke social tension, and there would be new outbreaks of violence. The economic policy and the ministers who have been fostering it must be changed.

[Reporter] Mr. Solis Valla says that you are allies of this government and that [words indistinct] to consolidate this alliance. What can you tell us about that?

[Ramirez] This is a political opinion [words indistinct]. There should be a government that includes everybody. We are not opposed to that. If the president decides to govern with a cabinet that includes Sandinists, National Opposition Union people, and Dr. Virgilio Godoy, that would be the best cabinet for the country. We are not opposed to that. An effective cabinet is fine, even if it does not include Sandinists, like the current one, which includes only one Sandinist who prevailed after the

conclusion of the Ortega administration, Mr. Rappaccioli. If the government wants to have a cabinet with Sandinists and UNO people, this is fine; if it wants a cabinet composed only of technocrats, that is fine also, but it has to function well and implement economic plans capable of pulling the country out of the stagnation in which it is right now.

[Reporter] What will happen if the government maintains the current line?

[Ramirez] It will continue to grow weaker and miss opportunities, and then the situation will grow increasingly worse.

[Reporter] Will there be social explosions in the future, in six months, like Solis Valla has said?

[Ramirez] I cannot say when social explosions could take place. Nicaragua is an ill country that has various symptoms. We can wake up any morning and find different symptoms. [end recording]

UNO Political Council Invites FSLN to Meeting

PA0110042593 Managua Radio Corporacion in Spanish 2200 GMT 30 Sep 93

[From the "Five O'Clock Sharp" newscast]

[Text] The National Opposition Union [UNO] has invited the Sandinist National Liberation Front [FSLN] National Directorate to a meeting on Monday [4 October].

The UNO Political Council is being pressured by its bloc in the National Assembly, which intends to assume leadership of UNO. The Council met today at 1000 and played its cards by inviting the FSLN National Directorate to a meeting on Monday at UNO headquarters.

The invitation is UNO's response to the letter FSLN Secretary General Daniel Ortega Saavedra sent to the UNO Political Council. The Council's did not respond because its members were kidnapped by a Sandinist commando.

Argentina

Congress Extends To Discuss Constitutional Reform

PY3009213193 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2002 GMT 30 Sep 93

[Text] Buenos Aires, 30 Sep (NA)—Today, the Executive Branch extended the regular sessions period of the national Congress until 30 November in order to facilitate continued discussion of a bill on the necessity of reforming the Constitution.

Other issues that must still be discussed in the Senate and the Chamber of Deputies include next year's budget, the pharmaceuticals patents bill, and the labor reform.

Science Secretary Criticizes U.S. Ambassador

PY3009181193 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1258 GMT 30 Sep 93

[Text] Buenos Aires, 30 Sep (NA)—Science and Technology Secretary Raul Matera stated: "New U.S. Ambassador James Cheek talks too much, in that he said that a solution must be found to the medicines patents law problem."

Matera added: "The United States is insisting too much on the patents law program, especially the pharmaceutical aspect, because during the next few months it will be debated by both congressional houses."

Matera was asked if Argentina gave too much ground in the scientific and technological field by dismantling the Condor-2 missile project, Matera admitted that ground was given "but this will probably bring benefits to the country in the field of scientific and technological exchange with other nations."

Menem Supporters Anticipate 3 Oct Victory

PY0110012793 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1750 GMT 30 Sep 93

[Report by special correspondent Andres F. Gartor]

[Text] Buenos Aires, 30 Sep (NA)—In anticipation of the results of the forthcoming 3 October elections, an atmosphere of euphoria is filling Government House, where the victory of the Peronists is already taken for granted. People who invariably fret and rush about from one place to another whenever there is an event such as this are already preparing a "great celebration" for the evening of 3 October.

First and foremost, the presence of Carlos Menem at the festivities is certain. He will receive the congratulations, hugs, and kisses of his main aides, ministers, secretaries, and close friends. After this, the agenda includes a triumphant speech by Menem, "but with a conciliatory tone," and a news conference.

The festive climate has spread from Government House to other spheres in the country's life, whether it be the business, financial, or trade union sectors, in a move to get these sectors of power to take their hats off to Menem's administration.

This celebration, however, hides (and not very well) another special purpose, which is to launch that very evening the idea that "the only thing missing is the president's reelection."

In this situation, however, two trends that contradict each other can clearly be seen among Menem supporters: one advocating a plebiscite on the constitutional reform at any cost, and the other looking with caution on that initiative. The next political steps for the supporters of Menem are almost strikingly demarcated by these two trends.

The supporters of the plebiscite believe the polls are showing more than 60 percent in favor of the reform. The other group believes that if the Peronist victory reaches 41 to 42 percent of the votes "the plebiscite will not be necessary, and an effort should be made to forge a pact with Radical Civic Union leaders."

If the government launches an all-out campaign for the plebiscite, Raul Alfonsin has already said he will become the focus for the opposition in creating a "no command center." According to observers, Alfonsin will be immediately supported by a group of social commentators who have been opposing the constitutional reform for a long time. Those who oppose the plebiscite say: "Besides, those who are against it are active militants, while those who support it are a group of people who are not active."

In the meantime, the Menem supporters are already thinking of creating a "reform command," which will be integrated a few weeks after next Sunday's elections. They said the reform command "will not be made up of the old reelection supporters," who traveled the country to explain the good things the reform will bring to Argentine society.

The Menem supporters clearly believe that to hold serious discussions with the UCR [Radical Civic Union], they cannot resort to the same people who wore out legislative and public bodies announcing the need for the reform. Who would make up this command? The only thing that has been learned is that the Justicialist Party leadership has begun to draw up the profiles of politicians who may hold negotiations and establish pacts with the UCR leadership, in addition to the "sphere of discussions" that will include four already appointed individuals: Carlos Ruckauf, Eduardo Duhalde, Eduardo Bauza, and Eduardo Menem. This so-called quartet will not be the "command," but will establish the strategies to be implemented by the operational group.

The friends of former Interior Minister Jose Luis Manzano are preparing his return to the country for the second half of December. He is returning perhaps

because someone called him, or told him his presence would be needed in Argentina, or perhaps because he feels he is in exile. People with more suspicious minds believe Manzano will come to put his friends and contacts with the UCR at Menem's service, while others believe he will return "to face the consequences of what he has done," and to stay in the country like other former government officials who left the government or are under investigation. Manzano told his close friends that he will be in Tokyo next January after being invited to give several lectures.

Bolivia

President Sanchez de Lozada Addresses UNGA

PY3009151093 La Paz Television Nacional Network in Spanish 1943 GMT 29 Sep 93

["Excerpts" of address by President Gonzalo Sanchez de Lozada at the 48th UN General Assembly in New York on 29 September—live]

[Excerpts] Thank you Mr. Chairman. I would like to greet Samuel Insanally, Guyanese Ambassador and UN General Assembly [UNGA] Chairman; the former UNGA chairman; and UN Secretary General Butrus Butrus-Ghali, to whom I convey my congratulations for the task he is performing, inspired by his commitment to advance the principles of peace, justice, human development, and international law. I would also like to extend a word of welcome to their excellencies, the heads of state and representatives of member countries, who are here present in this historic room. [passage omitted]

The path upon which Bolivia was to embark required bold and creative answers. It entailed great sacrifices across the board. We neither spare ourselves nor fail to demand the same dedication from our people. And yet, we are deeply concerned by the fact that in spite of all these efforts by our country, like so many others that embarked upon the path of democracy and restructuring seeking to resume stability, growth, and achieve development with social justice, there has been no matching effort by industrialized countries.

The end of the Cold War shed a ray of hope, but we were taken aback by the fact that cooperation and solidarity subsequently declined. There was specific interest when the industrialized countries deemed it their responsibility to protect Third World peoples from the threat of Communism. Therefore, during the Cold War era they made a veritable effort to struggle for development and solidarity. Foreign aid to our countries has now been cut, the price of the raw materials we produce has tumbled, and protectionism in on the increase. [passage omitted]

I believe that we must become aware that population growth, the world population has doubled, the destruction of the environment, the production and peddling of illegal drugs, and the migration of people from poor countries to rich countries which will tragically affect the latter and cause repercussions everywhere. There is only one solution, more development. We all know that when standards of living increase, when women go to school, and when social justice is furthered, population rate growth changes. [passage omitted]

In the past, we had plans like the Marshal Plan which helped us, and helped those who helped others as well. We need equal solutions now. We view with great hope the free trade treaty among Canada, the United States, and Mexico. We want to congratulate President Clinton for his commitment to fight the forces of protectionism in this country and in several other countries of the north, in an effort to do away with protectionism. A small country like Bolivia wants to sell its products, not send its people to the developed nations. [passage omitted]

Mr. President, Bolivia is trying to be in the vanguard of change with programs to open the country to foreign capital and technology and to the participation of our people. We are a very poor country.

Our people know we need capital and technology, so we have a plan that we will implement during the next few years. The plan, although new and ambitious, is feasible. It is based on three pillars: capitalization, democratization, and the participation of the people.

It is important to clarify that by capitalization we mean inviting foreign capital to bring technology, administration, and fresh resources to double the assets of our public companies. We will not sell their assets or allow the government to continue to own them outright. And this is where the second stage, which is democratization, comes into the picture. We will divide up and transfer 50 percent of the shares of public companies, which belong to the Bolivian people, among all Bolivian citizens, allowing them to participate in these companies so that they feel part of, and not excluded from, the economic development process. [passage omitted]

Without doubt, dynamic growth will reduce the importance of coca cultivation. We, in Bolivia, have managed to reduce the area of coca crops by 50 percent. We did so without the violence of guerrillas allied with traffickers and without the impositions of drug cartels.

There is no doubt that as we progress in this field, we realize that the only alternative development activity is light industry to produce exports. We cannot tell Bolivian peasants, as we once did, to stop cultivating coca and begin cultivating coffee, only to see coffee prices drop by half. The same thing happened with rubber trees and cocoa which nobody wants anymore. Our experience with alternative crops has demonstrated the importance of allowing countries like Bolivia, especially Bolivia, to export value added or manufactured products to developed countries instead of exporting drugs which are so harmful for humanity. Despite this we will continue to fight trafficking. We will do so because it is a commitment with humanity and with our own people. [passage omitted]

Bolivia is strongly committed to preserve the environment. Our poverty stems partly from the fact that we ignored our environment; believing that because we were poor we could plunder our natural resources as a part of our everyday life.

We have a large and important project. This project has world implications, not just to solve our balance of payment problems and to give a very important industrial center a needed energy base, but also to help lower air pollution levels. I refer to a joint Bolivian-Brazilian project to build a gas pipeline to transport gas to Sao Paulo. It is a cheap and clean energy source that will be used in industry and in vehicles. We will thus contribute to clean up the biggest air contamination center in South America. We will thus help to ensure that Sao Paulo's growth will benefit everyone, including Bolivians and Brazilians.

Mr. President, human rights must be the symbol of the new international community. We must achieve the right to develop with social justice. We are not asking for something for nothing. We are asking for an opportunity. [passage omitted]

The same spirit of solidarity and peace will guide our search for a definitive solution to Bolivia's landlocked problem, a problem that has already lasted more than 114 long years. Many people wonder how can Bolivia continue to claim something it lost 114 years ago. I tell them: We have a lot of patience. Our people waited 500 years for the return of their land, their country, and their right to participate. I do not believe an injustice can have a statute of limitations. We will continue to claim this right, through debate, but never through force. We will continue to claim our right to an access to the sea until the sea dries up. [passage omitted]

Brazil

Low Inflation Rate Could Bankrupt Federal Banks

PY3009170393 Rio de Janeiro O GLOBO in Portuguese 28 Sep 93 p 19

[Article by special correspondent Sergio Leo]

[Text] Washington—Federal banks, including the Federal Savings Bank, could go bankrupt if the inflation rate drops rapidly. This possibility has led the government to create a working group to study quick adjustment alternatives for the banks which must prepare to maintain their profit levels under an environment of low inflation rates. This group will be coordinated by Economic Policy Secretary Winston Fritsch. Foreign debt negotiator Andre Lara Resende will also participate in this group. This group will meet on 7 October with experts to discuss modifications to federal banks.

Nelson Carvalho, a former Central Bank Auditing Department director, is the author of a project in the National Monetary Council which served as the basis for the program to streamline the state banks. He is one of those invited to the meeting, as is Joao Heraldo Lima, another former Central Bank director. Finance Minister Fernando Henrique Cardoso's advisers have stated that any attempt to impose a "blow" on inflation through a deregulation plan will prompt a delicate situation in most federal banks: Without the resources obtained from profits obtained through the financial operations of bank deposits, at high interest rates, those banks will not survive.

During a chat with advisers, the minister said: "Those who defend the official banks do not realize that those institutions will be precisely the first to be affected by government measures within the financial market, such as a reduction in interest rates."

The working group will also seek alternatives to overcome the resulting difficulties for those banks. In his lecture to the Brazilian-U.S. Chamber of Commerce, the finance minister referred to the most recent obstacle he found in this task: "We decided to close eight agencies of the Amazon Bank in places like Sao Paulo and Fortaleza and the courts did not allow us to do so."

Details of Armed Forces' 4 Oct Maneuvers

PY0110002993 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Sep 93 p A8

[Text] Brasilia—Yesterday, General Geise Ferrari, commander of Army ground operations, announced the Armed Forces will start Operation Surumu, the greatest joint maneuvers ever carried out in the Amazon, on Monday 4 October. With the support of 37 aircraft, 4 ships, 2 hospital ships, and dozens of vehicles, 5,000 soldiers will carry out exercises north of Boa Vista, Roraima, over a period of 10 days.

The operation will cost more than 58 million real cruzeiros. The area of maneuvers covers 34,900 square kilometers, and is located near the Surucucu Military Base, inside the Indian reserve and near the area where the Ianomami Indians were massacred (in Venezuelan territory). Ferrari explained that the operation is designed to train the troops and has nothing to do with the massacre, the conflict with the gold diggers, or discussions over the internationalization of the Amazon region. He said "this operation was planned in late 1991. We could only have predicted what would happen if we had a crystal ball."

With 3,000 men, the Army will be the main component in the maneuvers. Its main mission will be to drop 700 parachutists into the jungle, with the support of the Brazilian Air Force (FAB). The Navy will grant logistics support, and will patrol the Branco and Negro Rivers to prevent attack from the imaginary enemy. The FAB will transport the troops to other states.

The Army Ministry has earmarked 31 million real cruzeiros for the operation. The Navy, according to Naval Operations Commander Admiral Cesar de

Andrade, intends to disburse 27.6 million cruzeiros. The Aeronautics Ministry has not revealed how much it will spend on the maneuvers. Air Defense Commander Brigadier Carlos de Almeida Baptista commented: "Aircraft are very expensive. An accurate estimate can be made only after the maneuvers are over." The military commanders said that the operation will be financed with budgeted resources and no supplementary funds.

Chile

Rio Group, PRC Vice Premier Note Pacific Rim Role

PY0110031793 Santiago Radio Cooperativa Network in Spanish 2300 GMT 30 Sep 93

[Report by correspondent Fernando Reyes Baza from New York]

[Text] Today, the PRC and the Rio Group, headed by Chile, noted the role played by the Pacific Basin as an important space for economic growth and upheld free trade at an international level. The two parties met today during a special session of Rio Group foreign ministers and PRC Vice Premier and Foreign Minister Qian Qichen, and decided to organize a joint seminar on economic policies. The PRC requested the Rio Group's support in joining GATT and in being accepted as an observer to ALADI [Latin American Integration Association].

In his initial comments on behalf of the Rio Group, Chilean Foreign Minister Enrique Silva Cimma stated that it is a high priority for the countries of our region to uphold the rules of global free trade, in diversifying their markets and increasing export goods. Silva Cimma said that therefore we support a global trade system that does not discriminate and has clearly defined and stable rules. In this sense he noted that the Uruguay round of the GATT talks must conclude by reasserting the multilateral principle and seeking full participation by all the GATT member countries. The Chilean foreign minister agreed with PRC arguments, and within that context supported its incorporation into GATT.

The key issues of the meeting referred to economic matters, the potential in the relationship between the Rio Group and the PRC, and prospects for growing economic and political relations between the two rims of the Pacific during the next century, thus tightening relations despite the distance separating the two sides.

Colombia

President Gaviria Assesses New York Visit

PA3009194393 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 28 Sep 93

[From the "National Newscast"]

[Text] Before returning to Colombia, President Cesar Gaviria spoke to reporters and, as is his custom, summarized his visit to New York.

[Begin Gaviria recording] Well, in practically a one-day working visit, only today, it is very difficult to talk about achievements. I would point out that it is important that we forcefully defend an open, free world commerce as we did at the United Nations this morning. We have to make a vigorous defense of this position, the one Colombia upholds, because it is the one that suits us most: to maintain open world markets. It has also been very important to meet personally with President Clinton this afternoon. [end recording]

Judicial Delegate Accused of Cartel Connections

PA0110032093 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 1 Oct 93

[From the "24 Hours" newscast]

[Text] Guillermo Villa Alzate, delegate of the Attorney General's Office to the Judicial Police and Investigations Directorate [Dijin], was exposed today after he had a telephone conversation with Miguel Rodriguez Orejuela, who has been accused of being a member of the Cali cartel.

[Begin Attorney General Carlos Gustavo Arrieta recording] It is true that a call was intercepted between Attorney General delegate Guillermo Villa Alzate and members of the so-called Cali cartel. This is a very serious situation. [end recording]

Guillermo Villa Alzate, delegate of the Attorney General's Office at the Dijin, has been accused of being a liaison for the Cali Cartel by his boss. The investigation began on 24 May 1992, and the call that confirmed the suspicions took place seven days ago. Investigators tapped Villa's telephone upon instructions from the Prosecutor General's Office and intercepted a call from Villa Alzate at his office in Santa Fe de Bogota to Miguel Rodriguez Orejuela. Villa gave Rodriguez certain classified information regarding specific court proceedings that is available only to the nation's judges.

The attorney general said he was unable to disclose the contents of the call because the information is protected by court proceedings restrictions. Villa was removed from his post yesterday.

[Begin Arrieta recording] We intercepted a call from the attorney general delegate at Dijin to Miguel Rodriguez Orejuela on 23 September. [end recording]

There are two investigations against Villa Alzate: One is disciplinary and the other is a criminal case opened by the Prosecutor General's Office.

Radio Cadena Nacional released a recording of the controversial call between Guillermo Villa Alzate, the Dijin attorney general delegate and Miguel Rodriguez Orejuela, so you can listen for yourselves. During the

friendly conversation, Villa Alzate offers Miguel Rodriguez Orejuela all the help he needs to solve his problems.

[Begin recording] [Orejuela] Your are an intelligent man and we would like you to help us on this by sending a letter to have them correct those things within that time.

[Villa] I will help you with that. I will...

[Orejuela, interrupting] [Words indistinct] and they will correct that and all the rest. I have something he signed here, and they may believe this...[stutters] and then they will pass it on, you see?

[Villa] Yes, yes.

[Orejuela] But, I wanted to tell you this: I have some information. Dijin intelligence personnel passed us a report on these matters.

[Villa] Yes, yes.

[Orejuela] And the chiefs there, the sons of bitches, Arango and the others, right?

[Villa] Yes, yes.

[Orejuela] They changed things on it. They superimposed other things to screw us and justify their damned inefficiency.

[Villa] Yes, yes.

[Orejuela] Because it is obvious that operation something-or-other and the other two they carried out here in Valle Department were total failures.

[Villa] Yes, yes.

[Orejuela] In order to justify their inefficiency, they bully the families, right?

[Villa] Yes, yes.

[Orejuela] They find Don Gilberto's photograph to publish, you see?

[Villa] Right, they are all sons of bitches. Sure I can help you with that. Of course I can.

[Orejuela] What can we do?

[Villa] Pardon me?

[Orejuela] What can we do?

[Villa] We can discuss that tomorrow. [end recording]

Prosecutor General Gustavo de Greiff asserted that his office is investigating the case. Here is what he said today.

[Begin recording] [De Greiff] No. I really cannot tell you exactly when that was. I think it must have been on Sunday.

[First unidentified reporter] Have you been able to establish who made the call?

[De Greiff] It was either Sunday or Monday. Yes, there is no doubt about that.

[Second unidentified reporter] Who called whom?

[De Greiff] The official called Mr. Rodriguez.

[First reporter] Is anyone else from that office involved?

[De Greiff] No, fortunately there is no one else.

[Second reporter] [Question indistinct]?

[De Greiff] This is regrettable. A public official has no reason to talk to those individuals in such familiar terms, much less advise them to carry out some administrative or other type of action against a government official. [end recording]

Ecuador

MPD Rejects Links to 'Red Sun' Subversive Group

PA3009182993 Quito Voz de los Andes in Spanish 2300 GMT 27 Sep 93

[Text] The Congressional Human Rights Commission summoned Defense Minister Jorge Gallardo in order for him to provide an explanation of reports that teachers and members of the Democratic People's Movement [MPD] Party are linked to the Red Sun subversive group.

Deputy Juan Jose Castelo asked the minister to clear this movement's name since it has been demonstrated that the MPD is in no way involved with the Red Sun.

[Begin Castelo recording] I formally call on you to initiate an independent investigation on the origin of these charges. However, neither the Armed Forces nor any political party such as ours should be involved in the investigation. Once again, I beseech you to put a stop to acts such as this and to refrain from using charges made by a young man who was expelled from the university because of common crimes.... [end recording, in progress]

According to Deputy Castelo, the same way efforts are made to clean the Armed Forces' name, similarly the MPD is entitled to demand a clarification of the information and to have the party's integrity cleared.

Defense Minister Comments

PA3009182693 Quito Voz de los Andes in Spanish 2300 GMT 27 Sep 93

[From "The Voz Andes Newscast]

[Text] Defense Minister Jorge Gallardo announced that the Armed Forces will always operate within the law,

with absolute regard for justice to all Ecuadorans. Therefore, if it is determined that the Democratic People's Movement is not connected to the Red Sun subversive group, the Armed Forces will proceed to make the announcement in due time.

[Begin Gallardo recording, in progress] ...intelligence efforts. You must understand that any person who operates outside the law, will resort to any measure in order to prevent their activities from being detected. Therefore we cannot provide.... [end recording, in progress]

The defense minister clearly emphasized that the activities and size of the Red Sun subversive group is relatively small. He added that so far there are no concrete names of persons linked to the subversive group, however due to security reasons he could not disclose them at this time. [sentence as heard] The minister concluded by saying that every subversive group represents a threat to the nation.

Paraguay

Presidential Reprimand 'Annoys' Foreign Minister

PY3009221693 Asuncion NOTICIAS in Spanish 30 Sep 93 p 4

[Article by unidentified special correspondents]

[Text] New York—President Juan Carlos Wasmosy has harshly reprimanded Foreign Minister Diogenes Martinez for allegedly having stated that Paraguay had not yet defined its foreign policy. The presidential reprimand has allegedly annoyed the foreign minister, who practically did not appear at any of the official ceremonies held yesterday.

At a news conference during the afternoon, Martinez explained that he never said Paraguay lacks a defined foreign policy, as published by an evening newspaper. He stated that he said a special commission was working to establish the government's foreign policy guideline.

It has been learned that Foreign Minister Martinez is somewhat annoyed over the presidential reprimand, but late yesterday afternoon he attended a meeting that President Juan Carlos Wasmosy held with the U.S. Department of State secretary for Latin American affairs.

Within this framework, disputes between Martinez and Presidential Private Secretary Omar Maidana Roig and Civilian Household Chief Hugo Saguier Caballero are obvious and the subject of many comments. The fact that Saguier Caballero, and not the Foreign Ministry, was in charge of organizing the president's U.S. tour has also called the people's attention.

Wasmosy on Mercosur in Colombian University Speech

PY3009210993 Asuncion ABC COLOR in Spanish 30 Sep 93 p 12

[Article by special correspondent]

[Text] New York—Speaking before a large audience of Columbia Univerity students and faculty, President Juan Carlos Wasmosy reasserted here last night that he believes it is very unlikely that Mercosur [Common Market of the South] countries will be able to meet the timetables for eliminating customs tariffs. He said it is necessary to grant more time to countries like Brazil to fulfill the minimum requirements to achieve an integrated market.

Expressing his doubts about the fulfillment of the agreed upon timetable, which he said is right now going through "a very critical and delicate stage," Wasmosy said: "We cannot avoid the difficulties experienced by the EC, which started this process many decades ago and which we are trying to emulate, by sidestepping stages, in less than five years."

Wasmosy also said: "We have been unable to coordinate macroeconomic policies, particularly with Brazil, which will experience difficulties in achieving a stable economy in the short term," before 1 January 1995, at which time the trade tariffs must be eliminated.

Wasmosy explained that this is tantamount to establishing a market economy without subsidies, inflation, and fiscal deficits. He said these "are essential elements in establishing a common market," which at this time "is not a reality."

Peru

Fujimori Meets Investors, President Clinton

PA3009170393 Lima Global de Television Network in Spanish 0100 GMT 30 Sep 93

[From the "Direct Line" Newscast]

[Text] Today, President Alberto Fujimori highlighted that there had been great receptiveness to Peru's new image in the meetings he held with U.S. investors. He said there is no longer any doubt that Peru has become the best location for investments in Latin America. The head of state also made reference to the meetings he held with his colleague, Bill Clinton, and former President George Bush.

[Begin recording] [Fujimori] I have held two meetings with U.S. investors. One was a private meeting with 30 or 40 of the top investors and another meeting, which was held in a larger room. There is a lot of interest in our country. In reality, Peru is becoming the most attractive location for investments in Latin America, surpassing several other countries. I was able to perceive this in both

meetings. There is interest in small investments as well as in large ventures, in the public sector, such as telecommunications and mining, and in the private sector. I give you an example: A year ago, nobody wanted Centrominperu [Central Peru Mining Enterprise], even if it was given to them. Today, thanks to the pacification process and the new economic framework being consolidated in the Constitution, it is worth several million dollars. There are greater expectations for those investments.

[Unidentified reporter] What were the results of your meeting with President Bill Clinton and the one held with former President George Bush just a few minutes ago?

[Fujimori] From Mr. Bill Clinton, with whom I have spoken twice, once at the headquarters of the U.S. Embassy here in New York [as heard] and the other at the United Nations.... [pauses] The impression I got is that Mr. Clinton understands the Peruvian problems thoroughly, the democratization process that is currently being carried out in Peru, and the concrete results of the pacification process in our country.

I would also like to say that I have just met with former President Bush. I had talked with him about 5 April 1992 [date of Fujimori's self-inflicted coup] several times. Now, I gave him an update on the pacification process and he too was pleasantly surprised with how much we have achieved. [end recording]

CCD President Yoshiyama on Referendum

PA3009121593 Lima Panamericana Television Network in Spanish 0200 GMT 27 Sep 93

[Interview with Democratic Constituent Congress President Jaime Yoshiyama by Guido Lombardi in Lima on 26 September; from the "Panorama" program—live]

[Text] [Lombardi] As we announced, we are here with Engineer Jaime Yoshiyama, president of the Democratic Constituent Congress [CCD] and one of the more enthusiastic proponents of the yes vote in the referendum. Good evening, Engineer Yoshiyama. Thank you for coming to "Panorama."

[Yoshiyama] Good evening, Mr. Lombardi. Thank you very much for your invitation.

[Lombardi] You are campaigning very hard. Yesterday you campaigned in Arequipa; today in Iquitos. You are traveling all over. However, there are apparently problems in Arequipa. Have you noticed these problems?

According to a national survey that we just reported, 28 percent of the population in Arequipa said they would vote yes on 31 October; 41 percent—a 13-point difference—said they would vote no; and an estimated 30 percent said they are undecided. Why do you think this is happening?

[Yoshiyama] Well, we are also conducting private surveys, and our results are substantially different from the ones you just reported. We believe that the yes vote is leading in all cities. We are doing much better in some cities than in others, but in general we are doing fine.

We have observed that those who are still undecided are moving toward the yes vote in proportion to the degree to which we inform the population of the great advantages of the 1993 constitution.

[Lombardi] The survey by Apoyo, which has a great deal of credibility, revealed the aforementioned result in Arequipa. There is also another astonishing result: In Cajamarca, 15 percent of the people favored the yes vote; 12 percent said they would vote no; and 69 percent are still undecided. How can you explain this indecision among Cajamarca citizens?

[Yoshiyama] I am also surprised by those figures. I think that perhaps the referendum has not sunk in among Cajamarca citizens and they expect both us and the minority to go there and explain our points of view. In general, however, I think that we are in the middle of a clean campaign. I come to this program not as CCD president, but as a congressman who after working...

[Lombardi, interrupting] You are also acting president right now following President Fujimori's trip. But let's speak to the man campaigning for the yes vote.

What message are you conveying about this modern constitution that will lead us to development? Why do you tell voters this is the case?

[Yoshiyama] Well, if you will allow me, I would like to draw a little graph. We are trying to have a modern and prosperous country. That is our real objective. The entire country knows that for that to happen we must promote investments here, because investments would produce two immediate effects: They would generate jobs and create greater income for the government.

I want to explain, Mr. Lombardi, that if we are able to approve a constitution that will bring foreign investors to set up more factories and fishing companies and open mines, employment will go up immediately.

[Lombardi] Allow me to interrupt. Will this be a result of the constitution or the political stability and clear regulations for investments?

[Yoshiyama] I think it will be the sum of all those things. As the most prominent economists in the country have said, we need not only a good president but also a good juridical framework. If the juridical framework allows new investors to arrive, more jobs will be immediately produced. For example, if foreign companies come here to Peru, it will also generate profits for the state because the state will be able to collect more taxes. Those taxes will be earmarked for schools. In other words, the additional state tax collections will produce more schools, medical centers, and roads.

To make it simple, the only thing we must do is have a constitution that will allow us the aforementioned accomplishments. We must first generate more jobs and income for the state. Looking at what has been done since 28 July 1990, a series of steps have been taken leading us to this. One of those steps are the events of 5 April; another step is 12 September and the capture of Abimael Guzman; another step is 22 November with the CCD election.

Here is the capture of Abimael Guzman; here is the dissolution of the legislature; and within the said landmarks is the famous 31 October, which is the referendum.

Mr. Lombardi, I would like to tell you and your viewers that on 31 October Peruvians will either approve or reject a constitution that will allow the country to move toward modernization and prosperity. The 1993 constitution, which we are submitting for the people's consideration, includes all the elements of a modern economy that will attract and allow the introduction of foreign capital. This is why we say that this constitution is modern, and we hope the people will support us.

[Lombardi] We will see what happens on 31 October. You have really made a convincing argument for why Peruvians should vote yes on 31 October. I would like to present you with some reasons that could eventually lead some people to doubt the advisability of this constitution.

Journalists are particularly sensitive to the habeas data issue. I would like to discuss that issue in-depth and will propose to do so in the next segment of the interview. We will be back with more on this topic, friends.

[Lombardi] We now continue our interview with Mr. Jaime Yoshiyama on "Panorama." We had announced that we would discuss the habeas data issue, which is an innovative concept recently incorporated into the constitution. As was explained last week by Argentine, Costa Rican, and Spanish constitutional experts who participated in a meeting in Lima, this is a very important concept that protects the average citizen from incorrect or false information that may have been included in any public data base. However, two new concepts related to the protection of the individual's dignity and safety have also been incorporated into the constitution. These two new concepts may represent a threat to freedom of the press. Why did the CCD decide to approve these two concepts that are totally unrelated to the habeas data issue?

[Yoshiyama] First of all, please allow me to say something. Since 28 July 1990, this government has scrupulously respected freedom of the press.

[Lombardi] That cannot be denied, but ...

[Yoshiyama, interrupting] I am trying to tell you that since our intention is to respect freedom of the press, we cannot include anything in the constitution that is contrary to freedom of the press. Unfortunately, the controversy surrounding habeas data has caused a certain degree of unease among some reporters. That is why I categorically state here that there is nothing in this issue that is contrary to freedom of the press or freedom of expression. If necessary, Change 90/New Majority [C-90] will guarantee it. As a political group, we plan to make a proposal that will definitively clarify that the habeas data concept is totally unrelated to the principle that freedom of the press must prevail in Peru. The issue is very important if we want to ensure democracy.

[Lombardi] That offer is more of a [word indistinct], but it should be made immediately after 31 October, and that is assuming the yes vote will win.

[Yoshiyama] Do you really doubt that it will? I am very confident about it.

[Lombardi] In a few minutes we will return to your explanation and evaluate what possibility the yes may have. For example, on 12 September you said that Guzman's arrest was a milestone. I believe it is most surely a milestone in Peru's history. Nevertheless, the day before yesterday there was evidence that the Shining Path threat still exists. No one has said that Shining Path has disappeared. What possibility is there that the group will reorganize?

[Yoshiyama] First, I do not want to sound overconfident, but I believe that if 80 or 90 percent of the terrorist leadership is locked up, sentenced to life imprisonment, it may mean that we are winning the war. These latest incidents only show that the national defense system, in other words the Armed Forces, simply cannot afford to lower their guard. The enemy is always present, and it only takes one careless moment for them to attack. However, I would like to say that with respect to this constitutional effort and the government's efforts in general, everything that has been done over the past two or three years has had bringing peace to the country as its first priority. The 5 April events occurred because we had a corrupt Judicial Branch that would release imprisoned terrorists. They simply released them.

[Lombardi] But that was more of a problem to be solved with the judicial branch, not with the congress.

[Yoshiyama] Well, I mentioned the judicial branch because at that same time the reorganization of this branch began to take place. Regarding the national assembly, this two-chamber legislature practically did not even allow us to proceed. We were forced to dissolve it because it prevented us from implementing laws that would allow us to fight terrorism effectively. As of 5 April we began to fight terrorism more effectively, and on 12 September Abimael Guzman is arrested. The opposition says that Abimael Guzman's arrest was just a stroke of luck. That is not the case. His arrest was the result of specific policies, and the proof lies in the fact that terrorist leaders continue to be arrested. It is fair to say that as of 12 September, the country is beginning to

breath some fresh air and changes are beginning to take place. In addition, the 1993 constitution incorporating all the polices against terrorism and economic issues is finally prepared. I am convinced that once it has been approved we will have numerous private investments. There are already foreign investors just waiting to invest in Peru.

[Lombardi] I would like to ask you something related to the economic situation. According to various sources, the problems the economic program is currently facing—and it is without a doubt facing difficulties like the recession, which is still being felt—are being blamed on three basic things. One is the National Superintendency of Tax Administration [Sunat] and its inability to increase tax revenues, thereby generating insufficient funds to promote economic reactivation. Others blame the Economy Ministry because it has been unable to attract foreign resources from the support groups. These resources have been estimated at $800 million for the current year. Finally, others blame the Private Investment Promotion Commission [Copri], of which you were president at one time. In that respect it has been said that the privatization process has not progressed at a sufficient pace, which is why the necessary funds have not been secured. In your opinion, which of these reasons explain the problems confronted by the government's economic program?

[Yoshiyama] In my humble opinion, I think all of these reasons may be valid. Human beings tend to make mistakes. It is possible that Sunat collected fewer revenues than expected because of a mistake. But if you look at the fact that during the past administration only five out of every 100 soles expected were collected, and now 10 out of every 100 soles are being collected, then we can say that there has been a considerable increase.

[Lombardi] Let us say 9.6 soles. Ten soles out of 100 will be the objective for December.

[Yoshiyama] Alright, let's say that. But we must acknowledge that revenue collection has improved. Thus Sunat is doing an excellent job that can always be improved. On the other hand, with respect to the Economy and Finance Ministry, I think Minister Camet has done an excellent job. He has been able to reincorporate the country into the international financial community once again, despite the 5 April events. Finally, with respect to Copri, I have been able to witness the extraordinary efforts undertaken by this agency. No one can dispute its success. Of course it is possible to progress faster, but right now the large state corporations are already being privatized, and this takes more time.

I would like to give you an example. When we launched the telephone privatization program two years ago, no one wanted to come to Peru to invest the $1 billion needed. Today, 12 of the world's best known companies have expressed interest in investing approximately $1 billion to connect one million more telephones in Peru. Now, can you tell me that Peru is not going through a new phase?

[Lombardi] Mr. Yoshiyama, Peru is most certainly going through a new phase, and we would all like to share your enthusiasm. Our doubts arise when you say it depends exclusively on the 31 October results and the approval rating the constitution may obtain. By that design you are asking the country not to approve the constitution but to approve the government.

[Yoshiyama] Of course. That is because 31 October is just another stage within the modernization process. I firmly believe that Peru will approve the constitution on 31 October. I see it like this: Who is in favor of the no vote? The traditional political parties' leadership. We can mention the American Popular Revolutionary Alliance's Alan Garcia and Armando Villanueva. We can also mention the communists and some traditional parties. On the other hand, who favors the yes vote? President Fujimori, and you have just heard El Callao Mayor (Kurt Wohl), Miraflores Mayor Alberto Andrade, and the mayors of Tacna and Tumbes. I was in Iquitos today and the mayor renounced populism to join the ranks in favor of yes. Thus, if you analyze who favors no and who supports yes, I am definitely convinced that the country will prefer those who are for the yes.

[Lombardi] Is this about the good guys and the bad guys?

[Yoshiyama] Not exactly, because everyone has the right to an opinion.

[Lombardi] Engineer Yoshiyama, resources have become an important topic in the campaign you are leading so enthusiastically. During the CCD campaign, you offered the country a detailed explanation of where the resources came from. I did not hear that detailed explanation. Did you give that explanation? Did you explain it to Congress? Where did the resources come from? I do not care that much about the resources for the CCD, although the explanation was never given. Where are the resources for this campaign for the yes vote coming from?

[Yoshiyama] First, as a matter of ethics, we said during the CCD campaign that we would present all our accounts in a clear and aboveboard manner. We held a news conference after the campaign and presented our accounting. The country is witness to the fact that we were the only political group that presented its accounting.

On this occasion, too—I promise—we will present our accounting clearly, and I hope the opposition will do the same, because we and the whole country must survive on the clear conduct of our political leaders. I make that commitment.

[Lombardi] Do you feel more comfortable as a member of the Executive Branch, president of the Copri, energy and mines minister, legislator, or as a campaigning politician?

[Yoshiyama] I confess that being a congressman has captivated me. I think that a person has the opportunity to do something for the country in another way, but it is always interesting.

[Lombardi] Do you think your work is more productive there?

[Yoshiyama] I do not know whether it really is more productive, but this work is very interesting and I have taken it up with a lot of passion. Because I am so convinced of what we are doing in the constitution and of how Peru is getting ahead, I am trying to reach the entire country to tell them that Peru is getting ahead, that there is no way we can lose. That is to say, if we vote for the yes, we cannot loose. I do not think anything can stop us.

[Lombardi] Will you continue in the legislature in 1995?

[Yoshiyama] No, absolutely not. I plan to dedicate myself to private life because I think that five years of working for the country is enough. I plan to return to the private sector.

[Lombardi] Thank you very much, Engineer Yoshiyama, for appearing on "Panorama."

We will take your word regarding the habeas data and the law regarding the effects of that figure, and we take your word with regard to the resources that will be used in the campaign. We will be in touch.

[Yoshiyama] Thanks for your interview, Mr. Lombardi. Thank you very much.

Editorial Criticizes New U.S. Drug Enforcement Policy

PY0110021993 Lima EXPRESO in Spanish 19 Sep 93 p A30

[Editorial: "The United States Leaves the Battlefield"]

[Text] Something that in one way or another has been indicated since Bill Clinton became president of the United States has finally been confirmed: a substantial reduction in U.S. support for the struggle against drug trafficking in the Andean countries.

On 17 September the news was published that the Drug Enforcement Agency (DEA)—the specialized police unit for combatting drugs—was practically leaving Peru, late this month, because the U.S. Congress recently eliminated an appropriation of $47 million and reduced other funds for fighting against drug trafficking in Peru and Bolivia.

This reasoning of the U.S. Democrats is quite proper: "Money should be used at home, where we have needs. Besides, the interdiction of drug trafficking in the Andean countries has produced no results, and we may also be strengthening antidemocratic and militarist trends, and so on..."

Of course there is no consideration of the magnitude of U.S. responsibility for the problems of Peru and Bolivia. The consumer market is what is growing the coca in our countries. The coca plantations are also destroying the Amazonian ecology, while the drug-trafficking dollars are corrupting the institutions and the state, and reducing the exchange rate, which in turn is reducing the exports of our countries. If there were an international court to file charges for damages, we would have done it long ago.

The power of the U.S. and European markets is so strong that it is impossible for a country like Peru to fight this business with its own forces. Under those conditions, a viable solution would be legalization in order to eliminate the effects of corruption and keep the activity under control. But this could only be done in coordination with those countries.

It is true that the struggle against drug trafficking did not always have first priority in Peru, because it was not an urgent matter. The struggle against hyperinflation and terrorism were more urgent. On the contrary, drug trafficking even falsely appeared at one time to be a solution rather than a problem, as it provided employment and income to 1 million Peruvians, 5 percent of the national population.

But now that the problems of hyperinflation and terrorism are relatively under control, drug trafficking emerges at the highest level. It is already a first priority. And as we said a few months ago, it is contradictory and absurd that precisely now that Peru is finally ready to put real political will into the struggle against drug trafficking, the United States is leaving the battlefield.

In fact, the day before yesterday—which was the same day the news was published that the DEA was leaving Peru—EXPRESO learned that there is an imminent Army attack planned in Palmapampa, which is the new center in the southern jungle for sending drugs abroad. And this is happening after the police forces in Upper Huallaga forced drug traffickers to seek other regions. It is therefore obvious that Peru has made a decision, and that it is only now in a condition to spend time and resources on this problem.

The market countries of the drugs which are the engines of this business have a moral obligation to do their share in the struggle against drug trafficking, not only at home but all over, including in the producing countries. The construction of democracy and the enforcement of human rights, which are advocated by the foreign policy of the Democratic U.S. Administration are not possible in the countries affected by the great power of drug trafficking.

There is no doubt that the Cali cartel is happy with the U.S. announcement. The probable consequence will be a decision by the Cali cartel to take advantage of this situation to strengthen new positions in our countries. And we will have to be prepared, even if we have to do it alone, because the battle is just beginning.

Army Prepares Offensive for New Narcoterrorism Zone

PY3009162993 Lima EXPRESO in Spanish 17 Sep 93 p A3

[Text] A significant number of soldiers have moved to the new drug trafficking center in Palmapampa zone in the Apurimac River valley, Ayacucho, where there is an airport which has become, in the past few months, the most important point for shipping cocaine base paste abroad.

The source told EXPRESO that the deployment of troops started several weeks ago and they are being stationed "wherever they are needed" in order to "take immediate action to stop the growth of drug trafficking in the area." It was disclosed that more than two months ago the Armed Forces Joint Command and the Second Military Region decided to launch an all-out battle in the region.

The command contacted the Palmapampa authorities to coordinate the establishment of detachments. The regional authorities initially offered a local public building to be used as a military base. As everyone knows, the establishment of a proper military base entails a series of logistics problems related to installations, food, and other issues.

The offer, however, was rejected a few days later by the community with the argument that the peasant defense patrols that currently operate in the region would be enough to prevent the presence of drug traffickers and terrorists. According to the source, the authorities' change of mind was because of the fact that a sector of the population accepts activities linked to drug trafficking. They regard it as an easy way to increase their scarce economic resources.

The measures adopted by the command had, however, allowed the implementation of the aforementioned actions. The source stated that "despite the difficulties that the deployment of a significant number of troops represents, the soldiers have been stationed wherever necessary."

The source added: "This is the time in which the communities, the peasant defense patrols, and the people of Apurimac must unite their efforts in the struggle against drug trafficking and terrorism in the region to which they have both moved after being defeated in the Upper and Lower Huallaga."

The Political Military Command of the zone wants to start an all-out struggle against narco-terrorism based on concrete intelligence and deployments. The aforementioned facts would thus dismiss a previous report according to which the passive and flexible attitude of the Political Military Command had allowed narcoterrorism to move toward the Apurimac River Valley.

New Drug-Trafficking Centers, Export Routes Established

PY3009223093 Lima EL COMERCIO in Spanish 21 Sep 93 p 1

[Text] The enforcement activities carried out in the Upper Huallaga valley by both the Peruvian Air Force [FAP] and the Navy have forced "drug traffickers" to move to the towns of Constitucion or Palcazu (Oxapampa), turning these areas into the new drug-dealing centers in Peru.

Townspeople from the area who have migrated to Lima report that the zone is not far from becoming the "new Uchiza" or the "new Huallaga," both because of the coca producers' activities and because of the shady deals carried out by the mafia and "firms" charged with purchasing the drugs.

The residents say that from the first few months of the current year they had been able to note a massive influx of drug traffickers aiming to purchase washed cocaine paste for export to Colombia, in light planes crossing the Brazilian border—the new drug-trafficking route in Peru.

"The law of force" prevails in the zone, where conditions are imposed by armed groups "working" for the drug purchasers, who in turn are connected to the Colombian "cartels."

Our sources added that there are practically no police or military officials in the zone.

They added that this serious situation has been reported to the Interior and Defense Ministries, to the Drug Enforcement Administration (DEA), and to the National Police Intelligence, but so far nothing has been done to avoid its development.

For instance, the letter that two local political officials sent to Defence Minister Victor Malca Villanueva on 14 April, requesting the installation of a military base in the zone, states the following:

"We would like to inform you of the presence of narcoterrorists in the town of Constitucion, as demonstrated during the military and police operation in which the forces of order detected and seized automatic weapons, drugs, precursors to manufacturing cocaine paste, and undocumented individuals—among whom were foreigners (Colombians and Uruguayans)—who were rescued by a mob of relatives and accomplices of the detainees who arrived from Upper Huallaga..."

Concerning clandestine airports, they are known to exist in San Pedro de Longui, Puerto Victoria, Puerto Bermudez, Jekra, and Gavilan, on the Marginal Highway.

Disagreement Between SL Leaders Mezzich, Duran Viewed

PY0110001393 Lima EXPRESO in Spanish 17 Sep 93 p A3

[Text] EXPRESO has learned from reliable sources that the forces of order are closely following the steps of Shining Path [SL] leaders Julio Cesar Mezzich and Maximiliano Duran Araujo, alias "Feliciano."

The sources reported that Mezzich was forced to move from the north to the central jungle region in search of narcodollars because he no longer receives funds from the SL Central Committee.

The force he allegedly commands consists of just a few hundred men, which currently constitutes the main SL force. Divided into columns, they usually integrate with local settlers to appear to be a larger force when committing their crimes.

The bad blood between Mezzich and Duran is well known. Their dispute has become worse because they are now fighting for control of the political power and also for the economic power that stems from controlling the narcodollars.

One of the main problems faced by the SL is that the protection money paid by traffickers, which sustains SL criminal activities, is no longer channeled through the central committee like in the past.

Funds are now distributed according to the essential needs of each faction and column, a move that is allegedly causing serious internal clashes.

The so-called Ayacucho Principal Committee, which has allegedly pledged loyalty to Duran, is reportedly mediating in this power struggle.

Duran's whereabouts were detected today by the forces of order, which expect to corner the principal remaining SL leaders.

The sources said that, given the way things are, the dismantling of the SL may be confirmed soon because of the uncoordinated actions of its gangs and factions.

"The SL, which claimed to be a unified organization sustained by its hierarchy, is becoming a bunch of deliberating groups," the sources said.

"Unfortunately, amid this disorganization, old tactics like committing collective massacres—the one recently suffered by the Ashaninka Indians—seem to be regaining force. The SL is, however, being firmly and inexorably surrounded," the sources added.

A pamphlet from the SL Central Committee which recently appeared—and is published in this issue of EXPRESO—indicates a probable dismantling of this terrorist organization.

The pamphlet was distributed during some terrorist attacks yesterday, and it calls on its members to temporarily suspend actions. It also states: "We defend the leadership."

Law Calls for New Referendum if Constitution Rejected

PY3009192693 Lima EL COMERCIO in Spanish 21 Sep 93 p 1

[Text] If the draft of the new Constitution is not approved during the 31 October referendum, the Democratic Constituent Congress must revise the document and call a new referendum.

This was established in the law calling for the election of the Democratic Constituent Congress (D.L. [Legislative Decree] No. 25684, that is modified by D.L. No. 25686). Article 148 of that law states: "If the text of the new Constitution is not ratified during the referendum, it must be revised by the Democratic Constituent Congress. It must then be submitted to a second referendum."

This clarification follows recent remarks by President Alberto Fujimori, who said that if the Constitution is not approved we "will return" to the 1979 Constitution. This statement is not correct because the 1979 Constitution is currently in force and will continue to be in force if the draft of the new Constitution is rejected.

Ω Poll Gauges Support for Government, Constitution

93P20377

[Editorial Report] The Peruvian polling firms APOYO and IMASEN conducted monthly surveys from April-July 1993 in Lima, and IMASEN, in addition, conducted surveys in four regional capitals to measure support for President Alberto Fujimori, government institutions, and the new draft constitution. Results published in the Peruvian press varied from a strong approval rating for Fujimori, to just under 50 percent support for the legislature and the new constitution, to much criticism of the judiciary. Fujimori's approval rating remains "sufficiently high" in the public's eye, according to IMASEN monthly polls. (SI, 7 Jun 93) Support for the president has ranged from a high of 67 percent in April to a low of 61 percent in July and is stronger in the provinces than in Lima. However, this relatively high popularity does not grant the president carte blanche. Even with an approval rating of 67 percent in April, only 51 percent of those questioned would vote for Fujimori if he ran for reelection and less than 42 percent support his constitutional project. In what IMASEN claims is the first recorded provincial survey, 40 percent of those polled

believe that "contrary to the promise" of the 5 April 1992 self-coup to enhance democracy in Peru, the situation remains unchanged. (SI, 5 Jul 93)

Fujimori's Policies

Positive Response

The Fujimori administration's "antisubversive policy," which includes attempts to apprehend terrorists and control terrorism, receives the most favorable public support, according to an APOYO poll of 500 Lima residents conducted between 9-12 July. "Prospects for the future" and the decrease in the inflation rate were cited as other positive aspects of the government's performance in the past three years, according to the same poll. (SEMANA ECONOMICA, 18 Jul 93)

Negative Response

A "recessive economic policy" is cited as the "most negative aspect" of the Peruvian Government's initiatives by the July APOYO poll in Lima. Also high on the list of negatives are the recession, continuing inflation and corruption, and the violation of human rights. To a lesser extent, insufficient social support and the "lack of democracy" are mentioned by those questioned as shortcomings in the government's performance in the last year. Respondents indicated that public education, respect for human rights, freedom of expression, public health, and progress in decentralization and the creation of jobs are worse now than they were three years ago. (SEMANA ECONOMICA, 18 Jul 93)

The Draft Constitution

Yes or No?

APOYO polled 500 residents of metropolitan Lima from 9-12 July on the constitution drafted by the Democratic Constituent Congress (CCD). Among those questioned, 49 percent said they would vote in favor of the "complete constitution." (SEMANA ECONOMICA, 18 Jul 93) At the end of June, IMASEN questioned residents in four regional capitals, claiming to be the first poll that has attempted to measure public opinion in the provinces on such "decisive" topics as the draft constitution and the referendum. IMASEN asked 402 in Cusco; 403 in Huancayo; 400 in Iquitos; and 402 in Piura: "If a constitutional referendum were held tomorrow would you vote in favor or against the approved draft?" The results show less than a majority approval rating:

	Cusco	Huancayo	Iquitos	Piura
In Favor	33.1	46.9	43.0	43.1
Against	29.9	24.3	28.3	26.6
No Response	37.0	28.8	28.7	30.3

(SI, 5 Jul 93)

As a follow-up to the above responses, IMASEN put the following question to respondents in the June provincial poll: "Do you believe the new constitution should be submitted to a popular referendum before it is promulgated?" A large margin answered yes: 83.0 percent in Iquitos; 79.6 percent in Piura; 76.6 percent in Cusco; and 74.7 percent in Huancayo. (SI, 5 Jul 93)

Controversial Issues

In APOYO's July survey among 500 Lima residents on the "most controversial issues" relating to the draft constitution, 49 percent said they favor allowing a president to serve two consecutive terms—the current (1979) constitution only allows two nonconsecutive terms—and 58 percent would vote for a new provision of the constitution that sanctions the death penalty for convicted terrorists. (SEMANA ECONOMICA, 18 Jul 93)

Those interviewed by IMASEN in June were asked how they would vote on specific issues connected with the draft constitution. Respondents from both Lima and the provinces said they "overwhelmingly" want to see the right to job security, employment, and free education, as well as the death penalty for convicted terrorists included in the new constitution. A majority also supported Fujimori's unicameral legislature, a sign, according to the center-left magazine SI, that the "allergy" to the former bicameral legislature, which Fujimori dissolved, "is still present, strong, and alive at the national level." Of those polled, a majority, "but not a very big one," favor including consecutive presidential terms in the constitution. In the provinces, Huancayo showed the strongest support for such a provision, with almost 58 percent in favor, while the least favorable response (53 percent) was in Piura. Only 43 percent overall support the executive's right to dissolve parliament. SI believes this indicates that citizens "distrust the lack of a counterweight" to executive power and the "arbitrary manner" in which this provision could be applied. (SI, 5 July 93)

In IMASEN's June provincial poll respondents were asked if they would vote for a constitution that did not include a provision for the popular election of regional governments. Most respondents said they would not vote for such a constitution—in Piura (68.4 percent), Iquitos (62.7 percent), and Cusco (57.3 percent)—but 60 percent in Huancayo said they would vote for such a constitution. (SI, 5 July 93)

Knowledge of the Constitution

In reaction to the results of an IMASEN survey of the public's knowledge of the CCD's draft constitution—only 10.3 percent said they were "informed"— SI concluded that "ample national debate" on the new constitution is still needed. In the June survey of 400 Lima residents, 53.8 percent said they were "slightly informed"; while 34.5 percent responded that they were "not at all informed" about the draft constitution. (SI, 7 Jun 93)

Congress

The number of critics of the Democratic Constituent Congress has increased, according to monthly opinion polls carried out by APOYO among 500 residents of Lima from April-July. The approval rating for the CCD dropped from 48 percent in April to 42 percent in July. Ratings for the pro-government Change 90/New Majority remained in the 42-44 percent range from May to July. The opposition parties total approval rating was 41.3 percent in the June poll, only 2.7 percent less than the approval rating for the majority bloc. (SEMANA ECONOMICA, 18 Jul 93)

Judiciary

The "principal problem" with the Peruvian justice system is the corruption of judicial officials, according to 51 percent of those questioned by APOYO in a poll conducted in April and May among Lima residents. This public opinion survey was commissioned by the Executive Council of Judicial Power and the Supreme Court of Justice. Those polled attribute judicial "corruption" mainly to: clerks of the court (39 percent); judges (27 percent); and lawyers (24 percent). Other reasons cited for the "judicial crisis" are the lack of an "adequate" budget for the "administration of justice," the "interference" of political parties in judicial affairs through representatives in the legislature and executive, the lack of "professional aptitude" among magistrates, and the existence of "cumbersome proceedings" in efforts to access the judicial system overall. (EL PERUANO, 22 Jul 93)

Effects of Utility Rate Hikes Viewed

PY3009201093 Lima EL COMERCIO in Spanish 17 Sep 93 p A2

[Editorial: "Public Utility Rates, Taxes, and Distortions in the Economic Program]

[Text] Public utility rates and the price of staples have once again risen in Lima. Even though the increases in fuel prices, electricity, and telephone rates are not as high as during the previous administration, there is concern—which is totally justifiable—about this upward trend, which may trigger a new inflationary spiral.

Gasoline prices, for example, are hiked by an average of 10 percent this week, depending on the octane content. Behind this adjustment is, to a large extent, the Treasury's interest in increasing tax revenue.

The price of 84-octane gasoline has been hiked by 14 percent; of which 54.2 percent (3.32 soles) goes to the state, 32.2 percent to Petroperu [State Petroleum Agency], 6.8 percent in transport costs, and the rest, i.e. 7.8 [as published] percent is the markup for the gas station.

The government is thus increasing its revenues through the Selective Consumer Tax [ISC], the car license tags tax [rodaje], and the IGV [General Sales Tax].

In a previous editorial we pointed out that tax collection is riddled with serious problems. It is obvious that these problems are mainly due to deficiencies, no so much in the system implemented by the Sunat [National Tax Administration Superintendency], as to excessively high tax rates (especially of the IGV).

Therefore, it is not fair for citizens to be forced to pay for what is, after all, a government deficiency.

One should not disregard the consideration fielded by La Moneda Consortium [not further identified] experts, namely that "even though the IGV rate is 18 percent, the amount collected from this tax only represents, in practice, 2 percent of all domestic sales. This is due to a large extent to the informal sector. If all sales were taxed, IGV rates could be as low as 2 percent."

During the final stage of the previous administration, the practice of raising fuel prices was an easy way out, and it resulted in the hyperinflation which we all know. Having that experience, we should not make the same mistake again.

There is a pressing need to review tax policy criteria, including the energy policy. Petroperu Chairman Emilio Zuniga has stated that despite this latest rise, "there is a lag of approximately 14 percent between domestic fuel prices and international prices." He explained that "the recent modification of the ISC (whereby the state keeps most of the increase for itself) is distorting the demand pattern, forcing the company to import more diesel fuel than it would if the difference in relative prices were not so great."

This means that, first, increasing prices only helps the Treasury to "obtain cash" rather than strengthening a state-owned enterprise which, even under the new legal status, should not be destabilized: Second, the erroneous idea that by encouraging the use of diesel fuel instead of gasoline—despite the fact that we do not produce enough diesel fuel—the country is saving foreign currency is still prevalent: And third, the previous consideration is conducive to a greater deficit in the balance of trade, a policy that only benefits Ecuador.

A comparable situation is to be found in electricity rates. As is public knowledge, electricity bills also include taxes to be paid to the Treasury. This does not mean that Electro-Lima [Lima Electric Power Enterprise], as a

public utility company and a supplier of electricity, derives any profit from collecting these taxes—all revenues go straight to the nation's coffers.

Worse still is that although the cost of street lighting, public parks, gardens, police retirement, etc. rises, none of these services improves.

The adverse effect of hikes in public utility rates and basic staples can be seen clearly when analyzing the inflation rate. The prestigious Cuanto Institute has stated that one essential group of items of a family's living expenses—namely "rent, fuel, and electricity"—represents 14.8 percent of the total.

The crucial fact about all this is that indispensable items like electricity, gasoline, water, gas, etc. directly affect Peruvians' quality of life. Never forget that a price rise on gasoline will be followed by a comparable hike in public transport rates.

Concerning industry, public utility rate hikes also cause damage when they are applied within a framework that seeks to directly obtain revenues instead of just "establishing realistic prices."

While it is indisputable that most of our national industries (whether owned by us or foreigners) are currently enmeshed in a deep recession, they still have to contribute approximately 60 percent of the total tax burden even though their share of the GDP [gross domestic product] is only 22 percent.

This is in itself hard enough; If on top of all this fixed and production costs rise because of hikes in high public utility rates, the situation becomes not just disheartening—it may bring industry to a standstill. This, in turn, disrupts the recovery of the overall economy because it slows down the retrofitting of our industry and adaptation to the new demands of a market economy.

This situation also affects industrial competitiveness at international level. This can be verified by comparing Peru's public utility rates with those prevalent in Andean Pact member countries like Colombia and Venezuela.

Given this state of affairs, the government should be encouraged to review its fiscal policy and its mechanism for adjusting public utility rates. Although it is true that in the past two years it was imperative to bring some prices up to date and begin to eliminate subsidies (which to date has not been totally achieved), there is now no longer a need to effect overall changes. Considering that reactivating the economy is the centerpiece of the economic program, it is of the utmost importance for the government to start applying what pundits in their economic jargon call "fine tuning." To that effect, it is not necessary to eliminate taxes or freeze prices, rather to make them conform to the country's reality.

Dynamite Attacks Shake Greater Lima Bank Branches

PA3009130593 Lima Panamericana Television Network in Spanish 1200 GMT 30 Sep 93

[Text] A series of subversive attacks shook Lima this morning. Terrorist groups attacked several Credito Bank branches in various parts of greater Lima. Property damage is extensive, it was reported. Dynamite attacks were reported against bank branches located on the third block of Aviacion Avenue in San Luis, on the 20th block of Peru Avenue in San Martin de Porres, and on Garibaldi Street in La Victoria.

Uruguay

Broadened Relations With Bolivia, Paraguay Sought

PY3009212993 Madrid EFE in Spanish 1725 GMT 30 Sep 93

[Text] Montevideo, 30 Sep (EFE)—Official spokesmen, in Montevideo, said today that the governments of Bolivia, Paraguay, and Uruguay are interested in broadening their economic, commercial, political, and cultural relations, and will seek to strengthen Urupabol [Permanent Joint Commission of Uruguay, Paraguay, and Bolivia].

The foreign ministers from the three countries, Antonio Aranibar of Bolivia, Diogenes Martinez of Paraguay, and Sergio Abreu Bonilla of Uruguay, met in New York on 29 September. The three ministers are attending the UN General Assembly.

"The ministers analyzed the relations between the three countries, their participation in the regional and subregional integration processes and schemes, and defined various common objectives," the sources said.

Aranibar, Martinez, and Abreu also agreed to reactivate the Urupabol group (Uruguay, Paraguay, Bolivia). The documents making such objectives official will be defined at a meeting to be held during the Rio Group "summit" in Santiago de Chile between 15 and 16 October.